Company Code: 600580 Company Abbreviation: Wolong Electric Drive

Wolong Electric Drive Group Co., Ltd. 2024 Annual Report

Important Notice

I. The Board of Directors, the Board of Supervisors, and the directors, supervisors, and senior management of the Company guarantee the authenticity, accuracy, and completeness of the contents of this Annual Report. They confirm that there are no false records, misleading statements, or material omissions, and they assume individual and joint legal liability accordingly.

II. All directors of the Company attended the Board of Directors meeting.

III. ShineWing Certified Public Accountants LLP has issued an unqualified audit opinion on the Company's financial statements.

IV. Pang Xinyuan, the person in charge of the Company; Yang Zijang, the person in charge of accounting work; and Ouyang Lijuan, the person in charge of the accounting department (accounting supervisor), declare: They guarantee the truthfulness, accuracy, and completeness of the financial reports in the annual report.

V. Profit distribution plan or capital reserve conversion to share capital plan for the reporting period approved by the Board of Directors

Proposed Profit Distribution Plan for 2024: Based on the Company's total share capital as of the record date for the 2024 profit distribution, after deducting shares held in the repurchase account, a cash dividend of RMB 1.50 (tax inclusive) per 10 shares will be distributed to all shareholders. Concurrently, a capital reserve of 2 shares per 10 shares will be allocated to all shareholders. The remaining distributable profits will be carried forward to the next fiscal year.

VI. Forward-Looking Statements Risk Disclosure

√ Applicable □ Not Applicable

The forward-looking statements in this report, including future plans and development strategies, do not constitute substantive commitments by the Company to investors.

Investors are advised to be aware of investment risks.

VII. Non-Operational Funds Occupied by Controlling Shareholders and Other Related Parties: No

VIII. Whether there are any instances of providing external guarantees in violation of prescribed decision-making procedures: No

IX. Whether more than half of the directors cannot guarantee the authenticity, accuracy, and completeness of the company's disclosed annual report: No

X. Major Risk Disclosure

The Company has detailed potential risks in this report. Please refer to the section on risk factors and countermeasures in the discussion of the Company's future development within the Management Discussion and Analysis in Section III.

XI. Other

☐ Applicable √ Not Applicable

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List of Reference Documents	I. Containing the Company's Responsible Person, Responsible Person for Accounting Work, and Responsible Person for the Accounting Department (Accounting Supervisor) Signed and stamped financial statements;
	II. Original audit report bearing the seal of the accounting firm and the signature and seal of the certified public accountant;
	III. Original copies of all company documents publicly disclosed during the reporting period and original drafts of announcements.

Section I Definitions

I. Definitions

In this report, unless the context otherwise requires, the following terms shall have the meanings set forth below:

Common Term Definitions		
Wolong Holdings	Refers to	Wolong Holding Group Co., Ltd.
Company, Wolong Electric Drive, the Company	Refers to	Wolong Electric Drive Group Co., Ltd.
Wolong Resources	Refers to	Wolong Resources Group Co., Ltd.
Wolong Shunyu	Refers to	Zhejiang Wolong Shunyu Investment Co., Ltd.
ATB Drive Co., Ltd.	Refers to	ATB Austria Antriebstechnik AG
Brook Crompton	Refers to	Brook Crompton Holding Ltd., listed in Singapore
Hong Kong Wolong Holdings	Refers to	Hong Kong Wolong Holdings Group Co., Ltd.
Wolong Lighthouse	Refers to	Wolong Electric Group Zhejiang Lighthouse Power Supply Co., Ltd.
Zhejiang International Trade	Refers to	Zhejiang Wolong International Trade Co., Ltd.
Wolong Real Estate	Refers to	Zhejiang Wolong Real Estate Investment Co., Ltd.
Wolong International	Refers to	Wolong International (Hong Kong) Co., Ltd.
Shanghai Wolong	Refers to	Wolong Mining (Shanghai) Co., Ltd.
Ouli Wolong	Refers to	Shaoxing Ouli-Wolong Vibration Machinery Co., Ltd.
Longneng Power, Zhejiang Longneng	Refers to	Zhejiang Longneng Electric Power Technology Co., Ltd.
Hill Robotics	Refers to	Zhejiang Hill Robotics Co., Ltd.
Academia Sinica, Wolong Shanghai Research Institute	Refers to	WOLONG Electric (Shanghai) Central Research Institute Co., Ltd.
WOLONG Motor Japan	Refers to	WOLONG Motor Control Technology Co., Ltd.
Qingjiang Electric	Refers to	Wolong Electric Huai'an Qingjiang Motor Co., Ltd.
Jinan Motor	Refers to	Wolong Electric (Jinan) Motor Co., Ltd.
Italian Investment	Refers to	Wolong (Italy) Investment S.R.L.
Italian Holding	Refers to	Wolong Italy Holding Group S.R.L.
Italy EMEA	Refers to	WOLONG EMEA S.R.L.
SIR	Refers to	Soluzioni Industriali Robotizzate S.p.A. (and its subsidiaries)
OLI	refers to	OLI S.p.A. (and its multiple subsidiaries/sub-subsidiaries)
Nanyang Explosion-Proof	Refers to	Wolong Electric Nanyang Explosion-Proof Group Co., Ltd.
Rongxin Transmission	Refers to	Wolong Electric Group Liaoning Rongxin Electric Transmission Co., Ltd.
GEIM	Refers to	Assets related to the small industrial motor business of General Electric Company (GE)

Common Terms and Definitions		
Duchang Longneng	Refers to	Longneng Electric Power Development Co., Ltd. of Duchang County
Liangshan Longneng	Refers to	Liangshan Longneng Electric Power Development Co., Ltd.
Wuhu Longneng	Refers to	Wuhu Longneng Electric Power Development Co., Ltd.
Chizhou Longneng	Refers to	Chizhou Longneng Electric Power Development Co., Ltd.
Fangcheng Longneng	Refers to	Fangcheng Longneng Electric Power Development Co., Ltd.
Shenyang Haoyao	Refers to	Shenyang Haoyao Photovoltaic Technology Co., Ltd.
Shenyang Huanuan	Refers to	Shenyang Huanuan Photovoltaic Technology Co., Ltd.
Shenyang Junhui	Refers to	Shenyang Junhui Photovoltaic Technology Co., Ltd.
Liaocheng Guoneng	Refers to	Liaocheng Guoneng Photovoltaic Technology Co., Ltd.
Taizhou Xinbaihui	Refers to	Taizhou Xinbaihui New Energy Technology Co., Ltd.
Leling Ronghui	Refers to	Leling Ronghui New Energy Co., Ltd.
Zibo Jingyu	Refers to	Zibo Jingyu Energy Technology Co., Ltd.
Xintai Runxi	Refers to	Xintai Runxi Energy Co., Ltd.
Tanghe Longneng	Refers to	Tanghe Longneng Electric Power Development Co., Ltd.
Xinyi Longneng	Refers to	Xinyi County Longneng Electric Power Development Co., Ltd.
Nanyang Longneng	Refers to	Nanyang Longneng Electric Power Development Co., Ltd.
Guichi Longneng	Refers to	Longneng Electric Power Development Co., Ltd. of Guichi District, Chizhou City
Tongling Quanhui	Refers to	Tongling Quanhui New Energy Co., Ltd.
Huai'an Ruihong	Refers to	Huai'an Ruihong Photovoltaic Power Co., Ltd.
Penglai Green Clean	Refers to	Penglai Lujie New Energy Co., Ltd.
Kaifeng Longneng	Refers to	Kaifeng Longneng Electric Power Development Co., Ltd.
Huai Bin Longneng	Point	Huai Bin County Longneng Electric Power Co., Ltd.
Jiangsu Lino	Point	Jiangsu Lino Electric Power Engineering Design Co., Ltd.
Dingnan Longneng	Refers to	Dingnan County Longneng Electric Power Development Co., Ltd.
Wancheng Longneng	Refers to	Nanyang City Wancheng District Longneng Electric Power Development Co., Ltd.
Nanyang Longyuan	Refers to	Nanyang Longyuan New Energy Technology Co., Ltd.
Boai Jingneng	Refers to	Bo'ai County Jingneng New Energy Co., Ltd.
Jinhu Longyuan	Refers	Huai'an Jinhu Longyuan New Energy Co., Ltd.

	to	
Haikou Longmu	Refers to	Haikou Longmu New Energy Technology Co., Ltd.
Fuxin Longyuan	Refers to	Fuxin Longyuan New Energy Co., Ltd.
Xuzhou Longyuan	Refers to	Xuzhou Longyuan New Energy Co., Ltd.
Funing Longyuan	Refers to	Funing Longyuan New Energy Co., Ltd.
Leizhou Longmu	Refers to	Leizhou Longmu New Energy Co., Ltd.
Taizhou Longmu	Refers to	Taizhou Longmu New Energy Technology Co., Ltd.
Huai'an Longneng	Refers to	Huai'an Longneng Electric Power Development Co., Ltd.
Mengcheng Longyuan	Refers to	Mengcheng Longyuan New Energy Co., Ltd.
Yichun Longneng	Refers to	Yichun Longneng Electric Power Development Co., Ltd.
Tieling Yangxu	Refers to	Tieling Yangxu Photovoltaic Technology Co., Ltd.
Yugan Longneng	Refers to	Yugan County Longneng Electric Power Development Co., Ltd.
Wuhu Technology	Refers to	Wuhu Longneng Electric Power Technology Co., Ltd.
Huzhou Longneng	Refers to	Huzhou Wuxing Longneng Photovoltaic Technology Co., Ltd.
Huangshi Longneng	Refers to	Huangshi Longneng Electric Power Development Co., Ltd.
Fengtai Longmu	Refers to	Fengtai County Longmu New Energy Co., Ltd.
Fengxin Longneng	Refers to	Fengxin County Longneng Electric Power Co., Ltd.
Hefei Longneng	Refers to	Hefei Longneng Electric Power Technology Co., Ltd.
Shiyan Longneng	Refers to	Shiyan Longneng Electric Power Co., Ltd.
Bozhou Longneng	Refers to	Bozhou Longneng Electric Power Co., Ltd.
Huanggang Longneng	Refers to	Huanggang Longneng Electric Power Co., Ltd.

Common Term Definitions		
Jianghua Longneng	Refers to	Jianghua Longneng Electric Power Technology Co., Ltd.
Wuyang Longyuan	Refers to	Wuyang Longyuan New Energy Co., Ltd.
Italy Electric Power	Refers to	WOLONG EMEA S.R.L
Wuhu Wolong	Refers to	Wuhu Wolong Home Appliance Motor Co., Ltd.
Qingdao Jicheng	Refers to	Qingdao Wolong Electromechanical Integration Technology Co., Ltd.
Wolong Shanghai Sales	Refers to	Wolong Electric Group Shanghai Sales Co., Ltd.
Mexico Factory	Refers to	Wolong Electric Industrial Motors, S. de R.L. de C.V.
Austrian Holding	Refers to	Wolong Holding Group GmbH
Austrian Investment	Refers to	Wolong Investment GmbH
ATB Group	Refers to	ATB Austria Antriebstechnik AG (and its subsidiaries and sub-subsidiaries))
Zhejiang New Energy	Refers to	WOLONG (Zhejiang) New Energy Technology Co., Ltd.
WOLONG Management	Refers to	Wolong (Zhejiang) Corporate Headquarters Management Co., Ltd.
WOLONG USA	Refers to	Wolong Americas LLC
Shanghai Hill	Refers to	Hill (Shanghai) Robotics Co., Ltd.
Chenzhou Hua'an	Refers to	Nanfang Group Chenzhou Hua'an Motor Manufacturing Co., Ltd.
Nanyang Gongqu	Point	Wolong Electric Nanyang Explosion-Proof Group Industrial Drive Co., Ltd.
Nanfang Technology	Refers to	Nanyang Explosion-Proof Electric Drive Technology Co., Ltd.
Electrical System Engineering	Refers to	Nanyang Explosion-Proof Group Electrical System Engineering Co., Ltd.
Wuhan Electric Motor	Refers to	Wuhan Autopi Motor Co., Ltd.
Nanyang Autopi	Refers to	Wolong Electric Nanyang Autopi Motor Co., Ltd.
Nanyang Digital	Refers to	Wolong Electric Nanyang Explosion-Proof Digital Service Co., Ltd.
Servo Technology	Refers to	Zhejiang Wolong Servo Technology Co., Ltd.
Shanghai Kesi	Refers to	Shanghai Keshi Automation Technology Co., Ltd.
Shaoxing New Energy	Refers to	Shaoxing Shangyu Wolong New Energy Investment Co., Ltd.
Wolong Korea	Refers to	Wolong International Korea Co., Ltd.
Wolong Malaysia	Refers to	Wolong International (Malaysia) Co., Ltd.

Ori Drive	Refers to	Zhejiang Ori Drive Systems Co., Ltd.
Zhejiang Longchuang	Refers to	Zhejiang Longchuang Motor Technology Innovation Co., Ltd.
Shangyu Longshun	Refers to	Shaoxing Shangyu Longshun Enterprise Consulting Partnership (Limited Partnership)
Zhejiang Shunyun	Refers to	Zhejiang Shunyun Interconnection Technology Co., Ltd.
Hangzhou Shunyun	Refers to	Hangzhou Shunyun Interconnection Technology Co., Ltd.
Hainan Shunyun	Shun Yun	Hainan Shunyun Digital Services Co., Ltd.
Zhejiang Energy Storage	Refers to	Zhejiang Wolong Energy Storage System Co., Ltd.
Zhejiang Precision	Refers to	Zhejiang Wolong Precision Power System Co., Ltd.
Zhejiang Longhong	Refers to	Zhejiang Longhong Enterprise Management Co., Ltd.
Zhejiang Transmission	Refers to	Wolong (Zhejiang) Electric Transmission Co., Ltd.
Zhejiang Electric Power	Refers to	WOLONG (Zhejiang) Power Electronics Co., Ltd.
Zhejiang Maritime	Refers to	Wolong (Zhejiang) Maritime Technology Co., Ltd.
Shanghai Energy Conservation	Refers to	Wolong (Shanghai) Energy Conservation Technology Co., Ltd.
Shangyu Hexin	Refers to	Shaoxing Shangyu Hexin Enterprise Management Partnership
Chongqing Shunyun	Refers to	Chongqing Shunyun Interconnection Technology Co., Ltd.
Nanyang Agriculture and Animal Husbandry	Refers to	Wolong (Nanyang) Agriculture and Animal Husbandry Technology Co., Ltd.
Longchuang Testing	Refers to	Zhejiang Longchuang Testing Technology Co., Ltd.
Shanxi Digitalization	Refers to	Shanxi Shunyun Interconnect Digital Services Co., Ltd.
Wolong Energy Storage	Refers to	Shenzhen Wolong Energy Storage Technology Co., Ltd.
Wolong Smart Hydrogen	Refers to	Beijing Wolong Smart Hydrogen Energy Technology Co., Ltd.
Zhejiang Zhongzhi	Refers to	Zhejiang Zhongzhi Electric Technology Co., Ltd.

Common Terms		
Suzhou COSCO	Refers to	Suzhou Zhongyuan Zhixin Electric Technology Co., Ltd.
SuYu Longyuan	Refers to	Suqian Suyu Longyuan New Energy Co., Ltd.
Mianzhu Longyuan	Refers to	Mianzhu Longyuan New Energy Power Generation Co., Ltd.
Nanjing Longmu	Refers to	Nanjing Longmu New Energy Co., Ltd.
Taizhou Longneng	Refers to	Taizhou Longneng Electric Power Co., Ltd.
Dongying Longneng	Refers to	Dongying Longneng Electric Power Co., Ltd.
Yangzhou Longzhixing	Refers to	Yangzhou Longzhixing Electric Power Co., Ltd.
Yuan'an Longneng	Refers to	Yuan'an Longneng Electric Power Co., Ltd.
Miluo Longneng	Refers to	Miluo Longneng Electric Power Co., Ltd.
Damao Banner Longneng	Refers to	Longneng Electric Power Co., Ltd. of Damang Banner
Shanghai Songjiang Longzhixing	Refers to	Shanghai Songjiang Longzhixing Electric Power Technology Development Co., Ltd.
Wannian Longneng	Refers to	Wannian County Longneng Electric Power Co., Ltd.
Meishan Longneng	Refers to	Meishan Dongpo District Longneng Power Sales Co., Ltd.
Luzhou Longneng	Refers to	Luzhou Jiangyang District Longneng Power Sales Co., Ltd.
Lu'an Longneng	Refers to	Lu'an Longneng Electric Power Technology Co., Ltd.
Jinhua Longneng	Refers to	Jinhua Longneng Electric Power Development Co., Ltd.
Yuncheng Longneng	Refers to	Yuncheng Longneng Electric Power Technology Co., Ltd.
Baotou Longneng	Refers to	Baotou Longneng Electric Power Co., Ltd.
Austria Longneng	Refers to	LongNeng Power Investment Holding GmbH
LongNeng Philippines	LONGNENG POWER PHILIPPINES INC.	LONGNENG POWER PHILIPPINES INC.
LongNeng Italy	Refers to	Longneng Power Italy SRL
Bengbu Longneng	Refers to	Bengbu Longneng Electric Power Co., Ltd.
Wolong Inard	Refers to	Wolong Inard (Zhejiang) Hydrogen Energy Technology Co., Ltd.
Wolong Permanent Magnet	Refers	Wolong Electric Drive (Baotou) Permanent Magnet Motor Co., Ltd.

	to	
Shangyu Shunfeng Electric Power	Refers to	Shaoxing Shangyu Shunfeng Electric Power Co., Ltd.
Shanghai Wolong Electric Drive	Refers to	WOLONG Electric Drive (Shanghai) Co., Ltd.
Henan Longchuang	Refers to	Henan Longchuang Testing Technology Co., Ltd.
New Energy Dameng Banner	Refers to	Shunfeng New Energy (Damang Banner) Co., Ltd.
Baotou Energy Storage	Refers to	Wolong Energy Storage (Baotou) Technology Co., Ltd.

Special Note: Any discrepancies in the decimal places between the totals presented in this report and the direct sum of the relevant data are due to rounding.

Section II Company Profile and Key Financial Indicators

I. Company Information

Company Name in Chinese	Wolong Electric Drive Group Co., Ltd.
Company Abbreviation in Chinese	WOLONG Electric Drive
Company's English Name	WOLONG ELECTRIC GROUP CO., LTD.
Company's English Abbreviation	WOLONG ELECTRIC
Legal Representative of the Company	Pang Xinyuan

II. Contact Person and Contact Information

	Board Secretary	Securities Affairs Representative
Name	Dai Qin	Li Saifeng
Contact Address	555 Xixi Road, Cao'e Subdistrict, Shangyu District, Shaoxing City, Zhejiang Province Xingxi Road, Caoe Subdistrict	555 Fuxing West Road, Caoe Subdistrict, Shangyu District, Shaoxing City, Zhejiang Province Xing West Road
Telephone	0575-82176628	0575-82176629
Fax	0575-82176636	0575-82176636
Email	wolong600580@wolong.com	lisaifeng@wolong.com

III. Basic Information

Company Registered Address	First Floor, No. 580 Fuxing West Road, Cao'e Subdistrict, Shangyu District, Shaoxing City, Zhejiang Province
Historical Changes to the Company's Registered Address	In December 2023, the company's registered address was changed from "Economic Development Zone, Shangyu District, Shaoxing City, Zhejiang Province" to "No. 1801, West Section of Renmin Avenue, Cao'e Subdistrict, Shangyu District, Shaoxing City, Zhejiang Province." In August 2024, the company's registered address was changed from "No. 1801, West Section of Renmin Avenue, Cao'e Subdistrict, Shangyu District, Shaoxing City, Zhejiang Province" to "No. 580, Fuxing West Road, Cao'e Subdistrict, Shangyu District, Shaoxing City, Zhejiang Province First Floor."
Company Office Address	555 Fuxing West Road, Caoe Subdistrict, Shangyu District, Shaoxing City, Zhejiang Province
Postal Code of Company Office Address	312300
Company Website	www.wolong.com.cn
Email Address	wolong600580@wolong.com

IV. Information Disclosure and Retention Location

Media Outlets and Websites for Annual Report Disclosure	Shanghai Securities News, China Securities Journal
Website of the stock exchange where the company discloses its annual report	www.sse.com.cn
Location for Retention of Annual Reports	Company Securities Affairs Office

V. Company Stock Profile

Company Stock Overview				
Stock Type	Stock Exchange Listing	Stock Abbreviation	Stock Code	Former Stock Abbreviation

A-shares	Shanghai Stock Exchange	Wolong Electric Drive	600580	Wolong Electric

VI. Other Relevant Information

Domestic Accounting Firm Engaged by the Company	Name	ShineWing CPA Firm (Special General Partnership)
	Office Address	8th Floor, Tower A, Fuhua Building, No. 8 Chaoyangmen North Street, Dongcheng District, Beijing
	Signing Accountant Name	Xie Hui, Lin Huiting

VII. Key Accounting Data and Financial Indicators for the Past Three Years

(1) Key Accounting Data for

Unit: Yuan Currency: Renminbi

Key Accounting Data	2024	2023	Year-on-Year Change (%)	2022
Operating Revenue	16,247,040,360.90	15,566,826,986.21	4.37	14,265,959,154.00
Net profit attributable to shareholders of the listed company	792,825,176.52	529,851,084.57	49.63	799,537,370.73
Net profit attributable to shareholders of the listed company	635,369,112.65	477,245,054.75	33.13	743,004,159.20
Net profit attributable to shareholders of the listed company	1,537,649,271.89	1,633,846,858.80	-5.89	1,192,108,216.32
Cash Flow from Operating Activities				
Net Cash Flow				

(2) Key Financial Indicators of

Key Financial Indicators	2024	2023	Increase over the same period last year (%)	2022
	End of 2024	End of 2023	Increase from the same period last year	End of 2022
Basic earnings per share (RMB/share)	0.6103	0.4068	50.02	0.6152
Diluted earnings per share (RMB/share)	0.6103	0.4068	50.02	0.6145
Net Assets Attributable to Shareholders of the Listed Company (CNY/share)	10,034,793,606.42	9,408,130,273.32	6.66	8,990,295,443.38
Basic earnings per share after excluding non-recurring gains and losses	0.4891	0.3664	33.49	0.5716
Total Assets	26,317,303,287.47	24,664,485,501.91	6.70	23,448,708,577.37
Weighted Average Return on Equity (%)	8.15	5.74	Decrease	9.27
Weighted average return on equity after excluding non-recurring gains and losses (%)	6.53	5.17	Increased by 2.41 percentage points	8.62
Return on Equity (%)			Increase of 1.36 percentage points	

Explanation of Key Accounting Data and Financial Indicators for the Three Years Ending at the Reporting Period

☐ Applicable √ Not Applicable

VIII. Differences in Accounting Data Under Domestic and International Accounting Standards

(1) Differences in net profit and net assets attributable to shareholders of the listed company between financial reports disclosed under both International Accounting Standards and Chinese Accounting Standards

☐ Applicable √ Not Applicable

(2) Differences in net profit and net assets attributable to shareholders of the listed company between financial reports disclosed under foreign accounting standards and those disclosed under Chinese accounting standards

□Applicable √Not Applicable

(3) Explanation of Differences Between Domestic and Foreign Accounting Standards:

□ Applicable √ Not applicable

IX. Quarterly Key Financial Data for 2024

Unit: RMB Currency: Renminbi

	First Quarter (January–March)	Second Quarter (April–June)	Third Quarter (July–September)	Fourth Quarter (October–December)
Operating Revenue	3,741,492,144.59	4,236,608,594.32	4,216,351,543.46	4,052,588,079
Net Profit Attributable to Shareholders of the Listed Company	222,580,921.72	170,228,879.89	245,399,211.86	154,616,163.1
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses	198,202,159.49	149,408,869.90	224,156,425.91	63,601,657.35
Net Cash Flow from Operating Activities	-34,223,783.96	388,394,116.41	475,131,229.52	708,347,709.9

Explanation of Differences Between Quarterly Data and Previously Disclosed Periodic Report Data

□ Applicable √ Not applicable

X. Non-recurring gains and losses items and amounts

√ Applicable □ Not applicable

Unit: Yuan Currency: Renminbi

Non-recurring items	2024 Amount	Note (if applicable)	2023 Amount	2022 Amount
Gain or loss on disposal of non-current assets, including reversal of impairment provisions	12,967,250.52	-	26,973,474.60	29,909,967.83
Government grants recognized in profit or loss for the period, but which are closely related to the company's normal business operations, comply with national policy regulations, are enjoyed according to established standards, and have a continuing impact on the company's profit or loss, except for	64,910,737.19	-	175,889,369.58	106,688,821.40
Except for effective hedging activities related to the company's normal business operations, gains or losses arising from changes in the fair value of financial assets and financial liabilities held by non-financial enterprises, as well as gains or losses from the disposal of financial assets and financial liabilities	121,002,598.72	-	90,203,188.39	-51,651,327.24
Interest income from non-financial enterprises included in current period profit or loss	-	-	-	-
Fees for entrusting others to invest or manage assets	-	-	-	-
Gains and Losses from Entrusted Loans	-	-	-	-
Losses on assets incurred due to force majeure events, such as natural disasters	-	-	-	-

Non-recurring items	2024 Amount	Note (if applicable)	2023 Amount	2022 Amount
The cost of an enterprise's investment in a subsidiary, associate, or joint venture is less than the fair value of the investee's identifiable net assets attributable to the acquiring enterprise at the time of acquisition gains	-	-	-	-
Current period net profit/loss of subsidiaries from the beginning of the period to the date of merger arising from business combinations under common control Net profit or loss	-	-	-	-
Gain or loss on non-monetary asset exchanges	-	-	-	-
Gain or Loss on Debt Restructuring	-	-	-19,400,460.42	-
One-time expenses incurred by an enterprise due to the discontinuation of related business activities, such as -	-	-	-	-
One-time impacts on current period profit or loss due to adjustments in tax, accounting, and other laws and regulations	-	-	-	-
Share-based payment expenses recognized due to cancellation or modification of equity incentive plans One-time recognition of share-based payment expenses	-	-	-	-
For cash-settled share-based payments, after the vesting date, gains or losses arising from changes in the fair value of employee compensation payable shall be recognized in profit or loss.	-	-	-	-
Gains or losses arising from changes in the fair value of investment property subsequently measured using the fair value model Gains or losses arising from changes in fair value	-	-	-	-
Transactions involving assets at prices that are manifestly unfair -	-	-	-	-
Gains or losses arising from or gains and losses arising from contingent liabilities	-	-	-	-
Fee income from entrusted management	-	-	-	-
Other operating income and expenses not included in the above items Other operating income and	-9,684,824.88	-	-6,967,669.36	4,314,200.99

expenses				
Other items meeting the definition of non-recurring gains and losses	-	-	-186,053,351.63	-
Less: Income tax effect	29,563,902.48	-	27,120,343.67	25,687,766.54
Impact on Minority Interests (After Tax))	2,175,795.20	-	918,177.67	7,040,684.91
Total	157,456,063.87	-	52,606,029.82	56,533,211.53

The Company's classification of items not listed in the "Interpretative Announcement No. 1 on Information Disclosure by Companies Issuing Securities to the Public–Non-recurring Gains and Losses" as non-recurring gains and losses as non-recurring gains or losses with significant amounts, or classifying items listed as non-recurring gains or losses in "Interpretative Announcement No. 1 on Information Disclosure by Companies Issuing Securities to the Public–Non-recurring Gains or Losses" as recurring gains or losses, the reasons shall be explained.

□ Applicable √ Not Applicable

XI. Items Measured at Fair Value

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Item Name	Opening Balance	Ending Balance	Current Period Changes	Impact on Current Period Profit

				Impact Amount
Trading Financial Assets	14,403,691.22	181,971,209.41	167,567,518.19	41,266,270.88
Other Non-Current Financial Assets	844,039,096.96	927,087,774.44	83,048,677.48	81,541,472.80
Total	858,442,788.18	1,109,058,983.85	250,616,195.67	122,807,743.68

XII. Other

☐ Applicable √ Not Applicable

Section III Management Discussion and Analysis

I. Discussion and Analysis of Operating Conditions

In 2024, China's economy maintained overall stability with steady progress. The primary objectives for the year's economic and social development were successfully achieved, high-quality development advanced steadily, new productive forces grew steadily, and the nation's economic strength, scientific and technological capabilities, and comprehensive national power continued to enhance. At the same time, the century-long transformation of the world accelerated, the external environment became more complex and severe, and geopolitical tensions remained prevalent, intensifying volatility risks in international markets. Domestically, the foundation for economic recovery and improvement remained fragile, with insufficient effective demand.

Facing opportunities and challenges, the company's board of directors and management team rose to the occasion with determination and initiative. Driven by technological innovation and guided by customer needs, they vigorously advanced key operational management tasks.

In 2024, the company achieved operating revenue of RMB 16.247 billion, representing a year-on-year increase of 4.37%. Net profit attributable to owners of the parent company reached RMB 793 million, up 49.63% year-on-year. Net profit attributable to shareholders of the listed company, excluding non-recurring gains and losses, amounted to RMB 635 million, marking a 33.13% year-on-year growth.Net cash flow from operating activities was RMB 1.538 billion, a decrease of 5.89% year-on-year. At the end of 2024, net assets attributable to shareholders of the listed company reached RMB 10.035 billion, an increase of 6.66% year-on-year.

The Company's key operational developments during the reporting period are summarized as follows:

1. Breakthroughs in Overseas System Development and Market Expansion

In 2024, the company completed staffing for headquarters in its three major overseas regions and effectively established an overseas management system. By fully deploying key account manager teams and optimizing the "iron triangle" operational units, the company continuously strengthened its GKA key account management mechanism, achieving year-on-year growth in both key account sales revenue and total order volume. The global distribution management system was further refined, sales channels were expanded, and a multi-tiered market penetration structure was formed.

2. Advancement in Building a Technology-Leading Enterprise

The company further advanced the implementation of the IPD system, significantly enhancing R&D efficiency. In terms of innovative technology deployment, breakthroughs were achieved in key technologies across multiple strategic emerging fields, including system solutions, bionic robots, electric aviation, and magnetic levitation/air-bearing technologies. Through deep industry-academia-research collaboration, strategic partnerships were established with Northeastern University and Shanghai Jiao Tong University, leading to the creation of joint laboratories. To date, the company has secured multiple provincial and ministerial-level science and technology achievement awards, earning authoritative recognition for its innovation capabilities.

3. Management Digitalization and Lean Operations Yield Remarkable Results

In 2024, the manufacturing sector deepened lean management practices, further reducing administrative expenses and optimizing personnel structures. Digital management coverage expanded, with all new orders transitioning to digital management systems. Core business data accuracy for revenue and collections exceeded 99.9%.

In 2025, geopolitical tensions show no signs of easing, with the global political and economic landscape remaining complex and volatile. Economic growth momentum remains weak, and the recovery faces numerous challenges. Meanwhile, the dual-carbon economy and digital-intelligent empowerment have emerged as new growth drivers for the global economy.

Against this backdrop, the company will deepen its integration into the broader landscape of new

industrialization, with benchmarking against "world-class" standards and developing new productive forces as core drivers, to comprehensively enhance global competitiveness. Key priorities for 2025 will focus on the following three areas:

1. Fully advance the overseas expansion strategy and intensify the " " overseas market campaign

We will deepen our overseas expansion strategy, driving comprehensive advancement in sales, production, and technology overseas. This includes promoting the overseas deployment of personnel, products, supply chains, and capital, aiming to achieve full-spectrum overseas expansion of human resources, finances, assets, and production-supply-sales operations within three years.

By 2025, we will strengthen our three major overseas regional headquarters, synergize production, supply, sales, and R&D to accelerate the "Overseas Stronghold Strategy," and comprehensively the proportion of the Group's international operations. We will adhere to the "Three-Thirds" strategy ( ) for , vigorously developing global distribution. Sales efforts will be enhanced to rapidly establish world-class enterprises, fully leverage overseas factories, strengthen coordination between domestic and international production, sales, and R&D, and deepen the Group's management oversight of overseas facilities.

2. Focus on Products and Technology to Lead Future Industry Layout

Technological leadership is key to Wolong's core competitiveness. Guided by strategy and driven by market and customer demands, the company must advance technological progress and product iteration, playing a leading role in innovation decision-making, R&D investment, and commercialization. Accordingly, the company will focus on emerging future industries such as electric aviation and humanoid robots to achieve major breakthroughs while accelerating expansion into high-growth sectors.

3. Continuously drive management innovation to enhance market competitiveness

Prioritize advancing specialized initiatives in CAE simulation design, CAD automated drafting, and automated design BOM generation to progressively shorten delivery cycles and improve on-time delivery rates. Vigorously promote single-machine automation and specialized equipment to substantially enhance production efficiency and product quality. Comprehensively advance foundational corporate management to significantly elevate the digitalization level of basic operations.

II. Industry Landscape During the Reporting Period

The company's primary businesses include motors and controls, industrial internet, and others. The motors and controls business is primarily divided into household motors and controls, industrial motors and drives, and electric transportation.

Household Motor Application Industries

1. HVAC Industry

In 2024, the global HVAC market reached $250 billion, growing approximately 6% year-over-year. The Asia-

Pacific region dominated the global market.
(Approximately 50% market share), with China and India emerging as the fastest-growing markets due to rapid urbanization and industrialization; North American and European markets maintain steady growth driven by building renovations and energy efficiency demands. Domestic brands are accelerating market share capture, while international brands focus on high-end projects.

Trends: Smart HVAC systems—IoT and AI applications enhance system intelligence, enabling automatic adjustments based on environmental conditions and usage patterns to boost energy efficiency; Energy-saving technologies—The adoption of variable frequency technology, heat pumps, and high-efficiency filtration systems drives the industry toward energy conservation and environmental protection; Renewable energy integration—Combining solar, geothermal, and other renewable sources with HVAC systems further reduces carbon emissions.

Governments worldwide are driving industry transformation through stringent energy efficiency standards and environmental regulations. For instance, the EU's " " ( )and the U.S. "Clean Energy Plan" mandate higher efficiency and reduced carbon emissions for HVAC equipment. Subsidies and tax incentives in certain regions encourage adoption of high-efficiency HVAC systems.

Technology, policy, and consumer demand will continue shaping industry development. Companies must maintain competitiveness through innovation and digital transformation.

2. Washing Machine Industry

In 2024, the global washing machine market reached approximately $120 billion, growing by about 5% year-over-year. Household washing machines dominate the market share, with significant demand growth particularly for front-loading and smart washing machines. Commercial laundry demand from sectors like hotels, hospitals, and laundromats is steadily increasing.

is steadily increasing, while the proliferation of Internet of Things (IoT) technology is accelerating the growth of the smart washing machine market. Regionally, first-time purchase demand in emerging markets (Southeast Asia, Africa), high-end upgrades in developed countries (smart washing machines, large-capacity products), and the expansion of commercial laundry equipment are driving stable industry growth.

Technology Trends:Heat pump dryers gain market share in Europe and America, while inverter motors and waterless washing technologies (e.g., ultrasonic cleaning) advance toward commercialization. Health features like steam sterilization, high-temperature care, and allergen removal become standard in mid-to-high-end models. Segmented demand grows significantly for washer-dryer combos, compartmentalized washers, compact washers, and commercial self-service laundry equipment.

In 2024, China's washing machine market reached RMB 105.8 billion in sales, marking a 14.7% year-on-year increase. This growth was driven by coordinated recovery across online and offline channels, coupled with appliance trade-in incentives. Future technological innovation will focus on smart connectivity, health-oriented care, and large-capacity product iterations to align with consumer upgrade trends.

3. Refrigerator Industry

In 2024, the global refrigerator industry reached nearly USD 125 billion, growing approximately 5% year-on-year.The Asia-Pacific region (particularly China, India, and Southeast Asia) remains the world's largest refrigerator market, accounting for over 40% of global share. Mature markets like North America and Europe are driven primarily by product upgrades and replacement demand, with energy-efficient and smart refrigerators leading growth. Latin America and the Middle East/Africa regions exhibit low refrigerator penetration but hold significant growth potential, especially in rural areas.

Technology Trends: Energy efficiency technologies—including variable-speed compressors, high-efficiency insulation materials, and eco-friendly refrigerants—are industry priorities aligned with global energy standards. Smart features such as touchscreens, voice control, and food management systems are becoming mainstream in refrigerators. Sustainability: Manufacturers increasingly prioritize eco-conscious design, such as using recyclable materials and reducing carbon footprints.

Industry Drivers: Growing consumer demand for high-quality, multi-functional refrigerators, especially smart and large-capacity models; accelerated urbanization and lifestyle shifts driving appliance demand; IoT, AI, and big data applications enhancing user experience and creating new needs.

China's refrigerator market maintained steady growth in 2024, with omnichannel retail volume reaching 40.19 million units (+4.9%) and retail value hitting RMB 143.4 billion (+7.6%). Development was driven by national subsidy policies, a stabilizing housing market, and smart innovation.Four major industry trends emerged: smart connectivity (multi-device integration), green initiatives (energy efficiency upgrades), customization (personalized solutions), and premiumization (quality consumption). Market momentum shifted toward price structure upgrades driven by replacement demand, with technological iteration and product innovation becoming key breakthrough factors.

4. Small Appliances and Power Tools Industry

In 2024, the global small appliance market reached approximately $300 billion, growing by about 6% year-on-year. Kitchen appliances dominated market share with significant demand growth, while home appliances and personal care appliances saw steady demand expansion.

Industrial Motors and Drives Industry Low-Voltage Motor Application Industries

1. Pump Industry

The global water pump market is projected to reach $75 billion in 2024, growing by approximately 6% year-

on-year, with China accounting for nearly half of the market share. The water pump market structure exhibits diversification, primarily categorized into four segments: industrial pumps, agricultural pumps, construction pumps, and municipal pumps. Among these,

Industrial water pumps hold the largest market share, widely used in chemical, power, food, and other industries; agricultural water pumps play a critical role in agricultural irrigation and drainage; construction and municipal water pumps serve residential, commercial, and public facilities sectors respectively.

Major global pump suppliers are concentrated in Europe, North America, and Asia. European suppliers from countries like Germany, Italy, and France are renowned for technological innovation and quality excellence; North American suppliers from the United States and Canada hold significant positions through robust R&D capabilities and market influence; Asian suppliers from Japan, South Korea, and China play vital roles globally due to cost advantages and rapid responsiveness to market changes.

Development Trends: Driven by advancements in IoT and big data technologies, the pump industry will evolve toward greater intelligence, enabling remote monitoring, fault diagnosis, and automatic regulation to enhance operational efficiency and reliability. Against the backdrop of increasingly strained global energy resources, high-efficiency, energy-saving pump products will dominate the market. Companies will reduce energy consumption and emissions through design improvements, new materials, and enhanced manufacturing processes.As environmental awareness grows, green and eco-friendly pump products will gain increasing market favor. Companies will prioritize environmental performance by utilizing recyclable materials and adopting sustainable production processes to minimize ecological impact.

2. Fan Industry

In 2024, the global industrial fan market size reached approximately $18 billion, with a year-on-year growth rate of about 6%.

Centrifugal fans dominate the market share, widely applied in HVAC systems, industrial exhaust, and material handling. Axial fans, primarily used in cooling and ventilation systems, exhibit steady demand growth. Special-purpose fans—such as explosion-proof and high-temperature models—show significant demand expansion in specific industrial sectors.

Strict industrial carbon emission controls in regions like the EU and China are driving rapid growth in demand for high-efficiency, energy-saving fans (IE4/IE5 standards). IoT monitoring and AI energy efficiency optimization systems have increased penetration rates to 25% in large fans, significantly reducing operational and maintenance costs. New material applications enhance fan performance. Expansion in sectors like data centers, photovoltaics, and lithium batteries is fueling demand growth for specialized products.In July 2024, four ministries including the National Development and Reform Commission released the "Special Action Plan for Green and Low-Carbon Development of Data Centers," proposing that by the end of 2025, the average power usage effectiveness (PUE) of national data centers
to below 1.5 by the end of 2025. By the end of 2030, the average power usage effectiveness (PUE), energy efficiency per unit of computing power, and carbon efficiency of national data centers are to reach internationally advanced levels. The data center industry's stringent power efficiency requirements will significantly boost demand for high-efficiency products in niche markets.

Looking ahead, as global focus on energy efficiency intensifies, the adoption of high-efficiency motors and variable frequency technology will become industry priorities. Demands for remote monitoring and predictive maintenance will drive the intelligent evolution of fans, while manufacturers will increasingly emphasize eco-friendly design to enhance environmental sustainability.

3. Compressor Industry

In 2024, the global air compressor market size reached approximately $35 billion, with a year-on-year growth rate of about 5%.

Demand for oil-free compressors surged over 12% driven by food and medical sectors, with market share rising to 35%.IoT remote monitoring and AI energy efficiency optimization systems achieved a 25% penetration rate, reducing operational costs by 15%-20%. Permanent magnet variable frequency technology became

widespread, with IE4/IE5 high-efficiency motors increasing their market share and significantly lowering energy consumption. Downstream demand remained robust in lithium battery factories, hydrogen energy supply chains, and semiconductor chip manufacturing. Infrastructure expansion in Southeast Asia and the Middle East, along with China's Belt and Road Initiative projects, contributed significantly.

Future industry trends will center on energy efficiency, intelligent solutions, and eco-friendly materials. Companies must navigate competition through technological innovation and market expansion while seizing growth opportunities in emerging markets.

High-Voltage Motor Application Industries

1. Mining Industry

The global mining industry market size reached approximately $2.3 trillion in 2024, growing by about 5% year-on-year. Coal growth remains relatively slow due to the energy transition, though short-term demand retains strong resilience.Driven by infrastructure and new energy, demand for bulk metal ores like iron ore, copper, and aluminum is growing steadily. Meanwhile, the rapid development of electric vehicles and energy storage is fueling faster growth in the mining of rare earths, lithium, cobalt, and nickel, with demand surging by about 15% and expected to maintain high growth for the foreseeable future. Non-metallic minerals such as phosphate, potash, and limestone are also seeing increased demand from the agricultural and chemical industries.

The Asia-Pacific region continues to play a pivotal role in the mining industry in 2024. Several emerging economies in this region host large-scale coal and metal mining enterprises, while Latin America boasts numerous mining operations, both contributing positively to industry stability and growth.

With the steady recovery of the global economy, demand for mineral resources continues to rise across multiple sectors including manufacturing and construction. The rapid development of emerging industries such as new energy and new materials presents new growth opportunities for mining. The widespread adoption of intelligent and automated technologies has significantly enhanced mining efficiency and safety. Advanced applications like drone exploration, intelligent mining robots, mining inspection robots, and big data analytics platforms enable more precise and efficient mining operations.Against the backdrop of rising global environmental awareness, green mining has become an inevitable choice for the industry. Carbon pricing mechanisms are compelling mines to reduce emissions, with electric mining trucks and hydrogen-powered equipment penetration potentially exceeding 15%. Investments in tailings treatment and wastewater recycling technologies have grown by over 40%. Numerous mining enterprises are actively adopting advanced environmental technologies and equipment to maximize resource utilization while minimizing environmental impact.

2. Metallurgical Industry

The global metallurgical industry market size reached approximately $3.5 trillion in 2024, representing a year-on-year growth of about 4%. Within this, the steel industry market size was approximately $1.8 trillion, while the non-ferrous metallurgy market approaches $1.5 trillion. Growth drivers primarily include global economic recovery, resurgent infrastructure demand, expansion of new energy supply chains (e.g., cobalt and nickel for lithium batteries), and environmental policy initiatives. Some domestic metallurgical sectors face overcapacity, intensifying market competition and necessitating structural adjustments and industrial upgrades.

The metallurgical industry is accelerating its digital transformation, leveraging intelligent equipment and data analytics to enhance production efficiency and quality while reducing costs. Technological innovation has become a key driver for industrial upgrading and high-quality development. With rising global environmental awareness, the sector faces increasingly stringent environmental requirements. Enterprises must increase environmental investments, promote green development, adopt more eco-friendly production processes and equipment, and reduce pollutant emissions. Environmental sustainability and green development will be crucial future directions for the industry.

3. Oil and Gas Industry

In 2024, the oil and gas industry overall exhibited a pattern of "stability amid change," while the global economy demonstrated resilience amid complex conditions. Global primary energy consumption increased by 1.9% year-on-year, with China's consumption rising by 4% compared to the previous year. China has become the world's largest energy producer and consumer.

The trend toward cleaner energy globally became more pronounced, with renewable energy's share in primary energy consumption increasing by 0.6 percentage points.China's terminal energy electrification rate rose to approximately 29% in 2024 and is projected to reach around 30% in 2025. China doubled its scale of new energy

storage and CCS (Carbon Capture and Storage) technologies, while the green electricity-green hydrogen-green methanol-green ammonia industrial chain continued to expand. Traditional and new energy sources accelerated their deep integration, with the exploration of the ▼▼oil and gas + new energy▼▼ model driving the entire industry chain toward greener and newer directions.

In 2024, international oil prices saw a slight decline, with the annual average price of Brent crude futures at $79.86 per barrel. Global oil and gas exploration and development investment totaled approximately $553.8 billion, a 2.5% year-on-year decrease, marking the first decline in four years.In 2024, China's crude oil imports totaled 553 million tons, down 1.9% year-on-year. Apparent oil consumption reached 756 million tons, while refined oil product consumption totaled 390 million tons, a 1.7% year-on-year decrease. This decline was primarily driven by sustained growth in new energy vehicles and accelerated development of LNG heavy-duty trucks, which reduced refined oil demand.In 2024, China added approximately 1.5 billion tons of proven geological oil reserves and nearly 1.6 trillion cubic meters of proven geological natural gas reserves domestically. The nation's total oil and gas production equivalent reached about 412 million tons, surpassing 400 million tons for the first time and marking the eighth consecutive year of growth exceeding 10 million tons of oil equivalent.

Looking ahead to 2025, global energy demand will continue to grow modestly, while the long-term trend toward green and low-carbon energy transformation remains unchanged. External factors such as geopolitical instability, shifts in U.S. energy policies, and adjustments to carbon neutrality pathways will significantly impact the oil and gas industry. M&A activity remains robust, upstream asset restructuring progresses, and the sector's resilience to low-to-medium oil prices continues to strengthen.The 2025 Government Work Report has for the first time designated deep-sea technology as a "core field of national strategic emerging industries," calling for accelerated R&D and industrialization. This development will also bring more opportunities for deep-sea oil and gas exploration.

4. Petrochemical Industry

In 2024, the global petrochemical market is projected to reach $5.5 trillion, representing approximately 5% year-on-year growth. The U.S. shale gas revolution has propelled ethylene cracking capacity to 35% of the global total, offering significant cost advantages. Petrochemical clusters along the Gulf Coast (such as Texas) have attracted over $10 billion in investments.Saudi Arabia and the UAE, leveraging low-cost ethane cracking facilities, account for 40% of global polyethylene capacity. China's large-scale refining and petrochemical bases are progressively coming online, gradually increasing self-sufficiency in chemical products like paraxylene (PX). India's reliance on petrochemical imports exceeds 70%, with domestic capacity investment growing by approximately 15%.

In 2024, China's petrochemical industry achieved operating revenues of RMB 16.28 trillion, representing a year-on-year increase of 2.1%. Total profits reached RMB 789.7 billion, a year-on-year decrease of 8.8%. Despite the overall decline, import and export volumes for certain petrochemical products increased, such as caustic soda and synthetic resins.

Moving forward, as global environmental protection gains prominence, the application of green chemical technologies and low-carbon production processes will become industry priorities. The integration of Internet of Things (IoT) and artificial intelligence (AI) technologies will enhance the intelligence of petrochemical production processes, exemplified by automated control and predictive maintenance. Global industrialization, urbanization in emerging markets, and the rapid development of new energy and high-tech industries will drive demand growth for petrochemical products. China's petrochemical sector will emphasize high-quality development and innovation-driven growth, accelerating the establishment of a new development paradigm.It is actively advancing the green, low-carbon transformation and digital upgrading of traditional industries, using technological innovation to lead the construction of a modern industrial system. Despite challenging trade conditions, the potential demand for Chinese petrochemical products in international markets remains substantial. Particularly, high raw material and energy prices in Europe create opportunities for Chinese petrochemical products to expand into international markets.

Electric Mobility Industry

In 2024, the electric transportation sector faces unprecedented global development opportunities. Rising environmental awareness and continuous technological advancements have driven sustained growth in sales of electric vehicles, e-bikes, and other electric transport solutions, expanding the market scale. Concurrently, governments worldwide have introduced supportive policies, providing robust backing for the sector's advancement.

In the electric aviation sector, following the 2023 Central Economic Work Conference's call to cultivate strategic emerging industries including low-altitude economy, the 2024 Government Work Report further emphasized developing new growth engines encompassing low-altitude economy.

The "Implementation Plan for Innovation and Application of General Aviation Equipment (2024-2030)" released on March 27, 2024, outlined that by 2030, a new development model for the general aviation industry—characterized by high-end, intelligent, and green features—will be fundamentally established. General aviation equipment will be fully integrated into all aspects of people's production and daily life, becoming a powerful driver of low-altitude economic growth and forming a trillion-yuan market scale.The 2025 Government Work Report also emphasized fostering emerging and future industries, including the low-altitude economy. Electric aviation demand will encounter significant development opportunities under comprehensive policy support.

In the electric vessel sector, the "Green Development Action Plan for the Shipbuilding Industry" issued by five ministries at the end of 2023 outlined that by 2025, a preliminary green development system for the shipbuilding industry will be established, with enhanced supply capabilities for green vessel products and the application of alternative marine fuels and new energy technologies aligned with international markets. By 2030, the green development system for the shipbuilding industry will be fundamentally established.As China implements its carbon peak and carbon neutrality goals, advances international strategies for reducing greenhouse gas emissions from ships, and accelerates the green transformation of the shipbuilding industry, demand for electric vessels will expand rapidly.

In 2024, global electric vehicle sales reached approximately 17 million units, marking a significant year-on-year increase. China's market accounted for a substantial share of these sales, emerging as the primary driver of global electric vehicle market growth.

In 2024, the global electric bicycle market continued to expand with steady sales growth. Increasing demand in regions like Europe and North America emerged as new growth points for the electric bicycle market. As the world's primary producer and exporter of electric bicycles, China's products maintain strong competitiveness in international markets. China's electric bicycle sales reached approximately 45 million units in 2024, maintaining its global leadership. The implementation of new national standards has profoundly impacted the electric bicycle market, driving industry standardization and regulation. Continuous technological advancements and innovations—such as the application of lightweight materials and the integration of intelligent systems—have enhanced product performance and user experience.

The global electric transportation industry is projected to maintain rapid growth in the coming years. As technology advances and costs decrease further, electric mobility will become more widespread and convenient. Concurrently, governments worldwide will continue introducing supportive policies to drive the industry's development and adoption. Fueled by environmental awareness, the electric transportation sector will emerge as a vital component of future mobility, contributing to sustainable human development.

Note: The above content is compiled from publicly available information.

III. Business Operations During the Reporting Period

In 2024, the global economy progressed through simultaneous recovery and transformation, while challenges such as intensified technological competition and increased international trade barriers remained severe.China's economy navigated complex international conditions with notable macro-level pressures in manufacturing. Facing these challenges, the company united with unwavering confidence, effectively solidifying its market leadership position. Key breakthroughs were achieved in multiple forward-looking fields, including electric aviation and bionic robotics. The company's 2024 operational focus centered on the following areas:

1. Seize market opportunities, align with strategic objectives, achieve the " " breakthroughs, and ensure high-quality development

Despite external macroeconomic pressures, the momentum of new energy and artificial intelligence development remains unstoppable. The strategic opportunities presented to Wolong by the decade-long golden period of motor industry growth persist.In 2024, we remain unwavering in our commitment to the 14th Five-Year Plan strategic goals and steadfastly uphold the "123 Strategy." We will seize opportunities in green and low-

carbon initiatives—represented by new energy and energy efficiency—and intelligent advancements—by humanoid robots—to achieve self-breakthroughs in ''ideas and courage, self-awareness, methods and approaches, and execution speed.''

In 2024, the company will refine, deepen, strengthen, and expand its traditional motor product line through introduction, iteration, cost reduction, and precision management. This will enhance the global competitiveness of traditional motors, further increase market scale and profitability, improve the operational quality of high-voltage variable-frequency products, support the development of low-voltage variable-frequency drives, and continuously increase bundled sales of motors and variable-frequency drives. This will consolidate and elevate the development of our first-curve products.

We will accelerate the development of system solution businesses. Centering on customer pain points and leveraging top-to-top and GKA approaches as breakthroughs, we will fully integrate all internal and external resources to establish a competitive advantage for system solutions in the market, making them a core competitive capability of the company.

2. Uphold a customer-centric approach, prioritize industry sales, and leverage the ''iron triangle'' strategy of as a safeguard. Establish and refine the GKA key account manager and product manager systems, drive the implementation of the ''top-to-top'' operational mechanism, enhance the sales and service platform's functions through professional operations, build a formidable sales force, and support the achievement of the ''Global Motor No.1'' objective.

The company focuses on GKA, assigns dedicated key account managers, optimizes the iron triangle operation model, and deepens the ''Headquarters-to-Headquarters'' operational mechanism. It continues advancing the "Three-Thirds" strategy to achieve comprehensive coverage of domestic and international regions, markets, and customers, driving business growth. The company has established a product manager system to strengthen product line and industry segment planning, creating operational value.Solidify the sales and service management platform, enhance lead and opportunity management, and strengthen oversight and empowerment. Prioritize performance-based evaluation, optimizing sales incentive and selection mechanisms. Accelerate sales of full-lifecycle motor service solutions to facilitate the company's transformation from ''manufacturing-oriented'' to ''service-oriented manufacturing'' .

3. Advance the development of a technology-leading enterprise, accelerate technological innovation, and achieve rapid breakthroughs in six new domains. Centered on four core solutions, achieve breakthroughs from 0 to 1 in advantageous industries and explosive growth from 1 to N. Focusing on efficiency and cost, comprehensively optimize the product portfolio.

The company continuously accelerates technological innovation, rapidly achieving breakthroughs in six new fields. In 2024, the Central Research Institute focused on business breakthroughs in six areas: humanoid robots, electric aviation, green electricity hydrogen production, magnetic levitation air-bearing technology, high-difficulty permanent magnet drive control, and system solutions. By fully leveraging social resources and strengthening project-based operations, it rapidly launched a series of products that fill gaps in Wolong's industrial portfolio and the market.

Centered on four core solutions—motor power system solutions, motor full-lifecycle management system solutions, energy-saving and carbon-reduction system solutions, and digital transformation system solutions—the company achieved breakthroughs from 0 to 1 in advantageous industries. By focusing on niche industry application scenarios, leveraging breakthroughs in key customer lighthouse projects and rapid scaling, it achieved explosive growth from 1 to N for these four solutions, driving robust development of its third growth curve.

Simultaneously, by prioritizing efficiency and cost, we optimized traditional products through cost reduction and iterative upgrades, enhancing the competitiveness of our first-curve products and establishing/expanding market leadership. We shifted from a product-centric to an industry-demand-centric approach, comprehensively optimizing our product portfolio. A three-tier R&D and two-tier technical management system was established, further refining our technical management framework and improving operational efficiency.

4. Leveraging global footprint advantages to fully unlock overseas entity potential and achieve rapid overseas growth

The company leveraged existing strengths in overseas brands, customer networks, sales channels, production bases, and R&D facilities to rapidly expand its North American market presence, optimize its European operations, and broaden its Asian market footprint. It vigorously implemented a strategic approach focused on overseas sales strongholds, enhancing coordination between the independent sales operations of overseas entities and the sales systems of the global sales headquarters and domestic independent units. This approach built synergistic advantages by fully leveraging the strengths of each sales entity.Aligning domestic and international product technologies, the company leverages the brand strengths of overseas factories. With domestic R&D investment as the foundation, it incorporates the advanced processes, quality standards, and technical documentation advantages of overseas facilities to rapidly iterate a series of platform-based products suitable for both domestic and international markets. Concurrently, it has strengthened oversight of overseas factories, implementing business unit-based management to enhance control over market and product operations, production and delivery, finance and analysis, and human resources.

5. Pursuing integrated supply chain transformation to achieve comprehensive procurement cost reduction, leveraging strategic procurement capabilities to transition from a "responsive supply chain" to a "strategic integrated supply chain"

The company closely aligned with its development strategy, building strategic integrated supply chain organizations at the business group level. It strengthened strategic procurement and strategic supplier management to enhance core competitiveness. Expanded material cost reduction approaches, implementing comprehensive procurement cost-cutting initiatives. Integrated the Group's advantageous supply chain resources, further refining integrated supply chain functions.

6. Refined the master planning management system, leveraging IT tools to achieve end-to-end visibility from order placement to customer receipt, ensuring comprehensive operational quality improvement. Implemented factory "materials, labor, and costs" management to strengthen standardization and enhance the five core capabilities of factories.

The company refined its master planning management system to ensure comprehensive operational quality improvement. Leveraging information technology, it achieved end-to-end visibility from order placement to customer receipt. Implementing refined accounting and management of factory "materials, labor, and costs" reduced production empowered market operations, and enhanced product profitability. Annual focus on building five core manufacturing capabilities—cost, delivery, quality, service, and safety/environment—effectively elevated on-site management proficiency.

7. Focusing on Digital Management Transformation, Optimizing Business Processes, Building a Business Middle Platform, and Strengthening Data Quality

The company pursued management transformation centered on customers, prioritizing business process optimization and marked by the implementation of digital management. Digital systems across specialized domains were treated as databases, with information integrated to build a business middle platform. In data governance, the principle of business-led governance was implemented, where usage drives governance, effectively improving data quality across specialized databases.

8. Establishing a "Three-Pillar" Financial Management System, Optimizing Accounting and Reporting, Accelerating Capital Flow, Strengthening Internal Controls and Financial Risk Management to Ensure Comprehensive High-Quality Operations

The company has established a three-pillar financial management system comprising the Center of Excellence (COE), Shared Service Center (SSC), and Finance Business Partner (BP). We have strengthened operational quality management capital utilization efficiency. Concurrently, we have intensified payment method controls and expanded supply chain finance initiatives. Centralized capital management has been reinforced to increase corporate cash flow. The financial analysis system has been further strengthened. Efforts have also been focused on enhancing internal control system development and tax risk management.

9. Continuously refined the human resources management system, fostering an organizational culture where performance determines recognition and greater contributions yield greater rewards, thereby continuously stimulating new vitality for high-quality growth.

The company has refined its human resources management system based on job level evaluations. The performance appraisal system has been continuously optimized to widen the compensation gap between high-performing and underperforming employees, motivating staff at all levels to pursue high performance and achieve challenging targets. Efforts have been sustained to unify the thinking and values of cadres at all levels, helping them accurately grasp the Group's strategic requirements and key priorities.

IV. Analysis of Core Competitiveness During the Reporting Period

√ Applicable □ Not Applicable

1. Global Management Advantages

The company has progressively built a management team with global operational control capabilities, achieving significant progress in cost control, production management, sales channel development, and financial management. By integrating and assimilating advanced management concepts from overseas manufacturing enterprises, the company has diversified its governance structure, elevated management standards at domestic manufacturing facilities, and realized synergistic management benefits. Continuous deepening of internal management, enhanced autonomy for operational units, and refinement of the performance appraisal system have boosted the company's operational vitality, providing crucial safeguards for maintaining industry competitiveness and ensuring sustained rapid growth.

2. Leading Motor and Control Business

The motor and control business constitutes the company's core strategic operation. Through acquisitions of several renowned overseas motor and control product manufacturers and the integration of Nanyang Explosion-Proof, a leading domestic motor enterprise, the company has established distinct competitive advantages globally. These encompass manufacturing footprint, marketing and service networks, sales scale, product coverage, technological innovation capabilities, and brand influence.By integrating the brand and technological strengths of foreign companies with the manufacturing cost advantages of domestic enterprises, the company has substantially enhanced its market appeal, exerting sustained pressure on competitors. As a global leader in motor and drive product manufacturing, the company has progressively established global industry leadership in high-voltage drive integrated solutions, new energy vehicle drive motors, high-end and ultra-high-end household motors, and vibration motors.

3. Comprehensive Marketing Network Advantage

The company has established a comprehensive global marketing network system, enjoying strong brand influence and market competitiveness in China, Asia-Pacific, Europe, and the Americas. Its multi-dimensional marketing model, built upon regional sales, industry sales, and product managers, achieves perfect coverage of end-users, OEMs, and design institutes. The synergy between online sales platforms and regional service bases has not only expanded the company's market share in motor after-sales service but also enhanced its competitiveness in primary equipment tenders.

4. R&D and Technical Strengths

The company operates five global R&D centers and a central research institute in Shanghai. Leveraging national-level certifications such as National High-Tech Enterprise and National Technological Innovation Demonstration Enterprise, it has established national-level research platforms including the State-Approved Enterprise Technology Center and the National New Materials Production Application Demonstration Platform—Special Motor Materials Production Application Demonstration Platform. Dedicated to pioneering research and development in motor and control technologies, the company holds a substantial portfolio of proprietary intellectual property. It maintains technological leadership in high-efficiency motors,permanent magnet motors, and integrated motor-inverter solutions.

5. Recognized Brand Strength

The company owns leading domestic brands such as Wolong and Nanyang Explosion-Proof, alongside century-old international brands including Brook Crompton, Morley, Laurence Scott, Schorch, and ATB. It holds a 10-year GE (General Electric) for 10 years. It enjoys high brand reputation in the mid-to-high-end markets of specialized sectors including oil and gas, petrochemicals, mining, power generation, nuclear power, military, water conservancy and sewage treatment, home appliances, and new energy vehicles.

V. Key Operating Performance During the Reporting Period

In 2024, the Company achieved operating revenue of RMB 16.247 billion, representing a year-on-year increase of 4.37%; net profit attributable to owners of the parent company reached RMB 793 million, up 49.63% year-on-year;Net profit attributable to shareholders of the listed company, excluding non-recurring gains and losses, reached RMB 635 million, up 33.13% year-on-year; Net cash flow from operating activities amounted to RMB 1.538 billion, down 5.89% year-on-year. As of the end of 2024, net assets attributable to shareholders of the listed company stood at RMB 10.035 billion, representing a year-on-year increase of 6.66%.

(I) Analysis of Core Business of

1. Analysis Table of Changes in Relevant Items of the Income Statement and Cash Flow Statement

Unit: RMB Currency: Renminbi

Item	Current Period Amount	Previous Year's Period Amount	Change Rate (%)
Operating Revenue	16,247,040,360.90	15,566,826,986.21	4.37
Cost of Sales	12,339,815,529.94	11,704,569,775.18	5.43
Selling Expenses	780,321,086.82	704,072,663.24	10.83
Administrative Expenses	1,294,287,070.31	1,311,945,118.04	-1.35
Financial Expenses	198,839,058.47	214,239,660.06	-7.19
Research and Development Expenses	642,191,222.45	557,407,247.02	15.21
Net Cash Flow from Operating Activities	1,537,649,271.89	1,633,846,858.80	-5.89
Net Cash Flow from Investing Activities	-1,704,879,912.71	-718,326,030.52	-137.34
Net Cash Flow from Financing Activities	392,525,631.54	-540,231,657.56	172.66

Explanation of changes in net cash flow from investing activities: Primarily attributable to payment of economic compensation to Hongxiang Shares and an increase in time deposits;

Explanation of changes in net cash flow from financing activities: Primarily due to an increase in cash received from borrowings;

Detailed explanation of significant changes in the company's business types, profit composition, or profit sources during the current period

☐ Applicable √ Not Applicable

2. Revenue and Cost Analysis

√ Applicable ☐ Not Applicable

This year's operating revenue reached RMB 16.247 billion, an increase of RMB 680 million compared to the same period last year, representing a year-on-year growth of 4.37%. This year's operating costs amounted to RMB 12.34 billion, an increase of RMB 635 million compared to the same period last year, representing a year-on-year growth of 5.43%.

(1). Breakdown of Main Business by Industry, Product, Region, and Sales Model

Unit: CNY Currency: Renminbi

Breakdown of Main Business by Industry						
By Industry	Revenue	Cost of Sales	Gross Profit Margin (%)	Operating Revenue Increase Year-on-Year (%)	Operating Costs Compared to Previous Year (%)	Gross Profit Margin Change from Previous Year (%)
Industrial Motors and Drives	9,065,838,627.30	6,355,100,127.73	29.90	-6.00	-6.42	Increase 0.32 percentage points
Household and Industrial Electric Machinery and Control	3,934,138,910.93	3,273,738,149.37	16.79	26.45	26.16	Increase 0.20 percentage points
Electric	807,970,826.28	700,102,835.41	13.35	16.88	14.02	Decrease

			(%)	Year-on-Year Increase (%)	Year-on-Year Increase (%)	Year-on-Year Change (%)
China	10,137,521,622.51	7,601,853,634.67	25.01	5.32	6.99	Decrease 1.18 percentage points
Europe and Africa Region	2,551,200,945.51	2,031,256,199.82	20.38	-8.68	-5.69	Decrease 2.52 percentage points
Americas	2,093,277,095.43	1,555,990,059.37	25.67	5.27	4.78	Increase 0.35 percentage points
Asia-Pacific (excluding China)	1,073,991,900.81	849,952,292.94	20.86	31.32	30.18	Increase 0.69 percentage points

Description of Main Business by Industry, Product, Region, and Sales Model None

(2). Analysis Table of Production and Sales Volume

√ Applicable □ Not Applicable

Primary Products	Unit	Production Volume	Sales Volume	Inventory	Production Volume Change from Previous Year (%)	Sales Volume Change from Previous Year (%)	Inventory Level Change Compared to Previous Year (%)
Industrial Motors and Drives	10,000 KW	3,475	3,486	277	8.72	2.47	-3.81
Household Motors and Controls	10,000 units	7,370	7,329	343	24.13	28.96	13.57
Electric Transportation	10,000 KW	875	879	53	-17.84	-16.60	-7.02

Production and Sales Status Statement None

(3). Performance of Major Procurement Contracts and Major Sales Contracts

□ Applicable √ Not Applicable

(4). Cost Analysis Table

Unit: CNY

By Product							
By Product	Cost Component Item	Current Period Amount	Percentage of Total Cost for Current Period (%)	Amount for Same Period Last Year	Percentage of Total Costs in Prior Year Period (%)	Percentage change in current period amount compared to same period last year (%)	Explanation
Industrial Motors	Raw Materials	4,753,150,460.72	76.56	5,091,959,607.54	76.94	-6.65	-
	Employee compensation	814,443,400.00	13.12	846,661,300.00	12.79	-3.81	-

By Product							
By Product	Cost Components	Current Period Amount	Percentage of Total Cost (%)	Amount for Same Period Last Year	Percentage of Total Costs in Prior Year Period (%)	Percentage change in current period amount compared to same period last year (%)	Explanation
Total	Employee compensation	66,131,800.00	9.62	83,329,500.00	10.44	-20.64	-
	Manufacturing Overhead	102,437,300.00	14.90	103,497,400.00	12.97	-1.02	-
	Subtotal	687,680,402.19	100.00	798,248,848.40	100.00	-13.85	-

Cost Analysis Other Explanations None

(5). Changes in the scope of consolidation due to equity changes in major subsidiaries during the reporting period

☐ Applicable √ Not applicable

(6). Significant Changes or Adjustments to the Company's Business, Products, or Services During the Reporting Period

☐ Applicable √ Not applicable

(7). Major Sales Customers and Suppliers

A. Major Sales Customers

√ Applicable ☐ Not Applicable

Sales to the top five customers amounted to RMB 2,236,324,000, accounting for 14.10% of total annual sales. Among these, sales to related parties within the top five customers totaled RMB 0, representing 0% of total annual sales.

During the reporting period, did sales to any single customer exceed 50% of total sales? Were there any new customers among the top five customers, or was the company heavily reliant on a small number of customers?

☐ Applicable √ Not Applicable

B. Major Suppliers

√ Applicable ☐ Not applicable

The top five suppliers accounted for RMB 1,829,924,100 in procurement, representing 18.64% of the total annual procurement. Among the top five suppliers, related-party procurement amounted to RMB 0, representing 0% of the total annual procurement.

During the reporting period, the proportion of purchases from a single supplier exceeded 50% of the total amount, or there were newly added suppliers among the top five suppliers, or the company was heavily dependent on a small number of suppliers.

☐ Applicable √ Not applicable

Other Notes:
None

3. Fees

√ Applicable □ Not Applicable

Unit: CNY

Account	Current Period Amount	Previous Year's Figure	Change Rate (%)
Selling Expenses	780,321,086.82	704,072,663.24	10.83
Administrative Expenses	1,294,287,070.31	1,311,945,118.04	-1.35
Financial Expenses	198,839,058.47	214,239,660.06	-7.19
Research and Development Expenses	642,191,222.45	557,407,247.02	15.21

4. R&D Investment

(1). R&D Investment Summary

√ Applicable □ Not applicable

Unit: CNY

Current Period Expensed R&D Expenditures	572,375,392.77
Capitalized R&D expenditures for the period	232,546,967.13
Total R&D Expenditures	804,922,359.90
R&D Expenditure as a Percentage of Revenue (%)	4.95
Proportion of R&D Expenditures Capitalized (%)	28.89

(2). R&D Personnel Summary

√ Applicable □ Not applicable

Number of R&D Personnel	1,822
Percentage of R&D Personnel Relative to Total Company Workforce (%)	12.00
Educational background structure of R&D personnel	
Educational Background Categories	Number of Employees by Educational Structure
Doctoral Degree	15
Master's Degree	239
Undergraduate	1,299
Associate Degree	211
High School and Below	58
Age Structure of R&D Personnel	
Age Structure Categories	Age Group
Under 30 (excluding 30)	668
30–40 years old (including 30, excluding 40)	654
40-50 years old (includes 40, excludes 50)	349
50-60 years old (includes 50, excludes 60)	133
60 years and older	18

(3). Situation Description

□ Applicable √ Not Applicable

(4). Reasons for Significant Changes in R&D Personnel Composition and Their Impact on the Company's Future Development

□ Applicable √ Not Applicable

5. Cash Flow

√ Applicable □ Not Applicable

Unit: CNY

Account	Current Period Amount	Previous Period Amount	Change Ratio (%)
Net Cash Flow from Operating Activities	1,537,649,271.89	1,633,846,858.80	-5.89
Net Cash Flow from Investing Activities	-1,704,879,912.71	-718,326,030.52	-137.34
Net Cash Flow from Financing Activities	392,525,631.54	-540,236,657.56	172.66

(2) Explanation of Significant Profit Variations from Non-Core Business Operations

□ Applicable √ Not Applicable

(3) Analysis of Assets and Liabilities

√ Applicable □ Not applicable

1. Assets and Liabilities

Unit: Yuan

Item Name	Current Period Ending Balance	Percentage of Total Assets (%)	Previous Period Closing Balance	Previous period's closing balance as a percentage of total assets (%)	Percentage change in current period ending amount compared to previous period ending amount (%)	Explanatory Notes
Trading Financial Assets	181,971,209.41	0.69	14,403,691.22	0.06	1,163.37	Note 1
Notes receivable	231,027,412.55	0.88	166,365,051.10	0.67	38.87	Note 2
Accounts receivable financing	613,521,773.72	2.33	995,220,960.79	4.04	-38.35	Note 3
Other receivables	188,648,384.58	0.72	315,334,225.39	1.28	-40.18	Note 4
Contract Assets	183,099,857.14	0.70	82,157,383.61	0.33	122.86	Note 5
Other Current Assets	331,140,232.85	1.26	204,703,497.25	0.83	61.77	Note 6
Development Expenditures	130,493,650.65	0.50	206,227,029.78	0.84	-36.72	Note 7
Short-term borrowings	2,315,957,961.90	8.80	1,197,655,390.71	4.86	93.37	Note 8
Notes payable	166,247,281.48	0.63	460,795,447.84	1.87	-63.92	Note 9
Other Payables	599,252,853.15	2.28	911,857,016.85	3.70	-34.28	Note 10
Current non-current liabilities	2,180,145,537.02	8.28	1,285,004,984.13	5.21	69.66	Note 11
Other Current Liabilities	366,372,843.06	1.39	128,510,948.70	0.52	185.09	Note 12
Long-term borrowings	2,313,587,404.79	8.79%	3,481,442,900.88	14.12%	-33.55	Note 13
Long-term payables	17,775,143.14	0.07%	3,497,829.35	0.01%	408.18	Note 14
Other Non-Current Liabilities	72,201,911.97	0.27%	107,153,351.38	0.43%	-32.62	Note 15
Treasury stock	60,013,402.35	0.23%	87,161,680.00	0.35%	-31.15	Note 16
Other Comprehensive	-222,609,342.96	-0.85%	-457,015,120.46	-1.85%	51.29	Note 17

Other Notes:

Note 1: Primarily attributable to the reclassification of Hongxiang Shares equity from long-term equity investments accounted for under the equity method to trading financial assets;

Note 2: Mainly due to an increase in commercial acceptance bills receivable during the current year;

Note 3: Mainly attributable to an increase in endorsed payments received for bank-accepted bills during the

current year;

Note 4: Mainly attributable to a decrease in third-party accounts receivable;
Note 5: This item primarily resulted from an increase in warranty deposits accrued based on contractually agreed ratios or amounts; Note 6: This primarily resulted from an increase in input tax credits pending deduction;
Note 7: Mainly attributable to the transfer of certain R&D projects to intangible assets; Note 8: Mainly attributable to increases in bill financing and credit loans;
Note 9: Primarily attributable to increased endorsement payments for notes receivable and reduced settlement via self-issued notes during the period; Note 10: Primarily attributable to payment of performance compensation to Hongxiang Co., Ltd.;
Note 11: Primarily due to the reclassification of certain long-term borrowings maturing in 2025 into this account; Note 12: Primarily due to an increase in endorsed notes not yet matured and not derecognized at the end of the period;
Note 13: Primarily due to an increase in non-current liabilities due within one year resulting from the reclassification of long-term loans, leading to a decrease in long-term loans; Note 14: Primarily due to an increase in finance lease payables at Longneng Electric Power;
Note 15: Mainly due to Shaoxing New Energy repaying loans from China Development Bank; Note 16: Mainly due to the cancellation of restricted shares in the third phase;
Note 17: Mainly attributable to the transfer of Hongxiang Shares to trading financial assets; Note 18: Mainly attributable to changes in Longneng Power's special reserves.

2. Overseas Assets

√ Applicable ☐ Not Applicable

(1) Asset Scale

Of which: Overseas Assets 6,696,953,893.85 (Unit: RMB Currency: RMB), accounting for 25.45% of total assets.

(2) Explanation for High Proportion of Overseas Assets

☐Applicable √Not applicable

3. Restrictions on Major Assets as of the End of the Reporting Period

√ Applicable ☐ Not applicable

See "Section 31. Assets Subject to Ownership or Usage Restrictions" under "Notes to Consolidated Financial Statements Items" in "Section 7" of "Financial Reports" in this report.

4. Other Disclosures

☐ Applicable √ Not applicable

(IV) Analysis of Operating Information for the Industry

√ Applicable ☐ Not applicable

See "Section III, Management Discussion and Analysis" under "II. Industry Conditions During the

Reporting Period"

(V) Analysis of Investment Status

Overall Analysis of External Equity Investments

√ Applicable □ Not Applicable

Subsidiary Name	Registered Capital	Primary Business	Date Established	Remarks
Wolong Innertest (Zhejiang) Hydrogen Energy Technology Co., Ltd.	4 million euros	New Energy R&D-related Business	April 3, 2024	Newly Established
Wolong Electric Drive (Baotou) Permanent Magnet Motor Co., Ltd.	100 million yuan	Electrical Machinery and Equipment Manufacturing Related Business	April 16, 2024	Newly Established
Shaoxing Shangyu Shunfeng Electric Power Co., Ltd.	10 million yuan	Wind Power Technology Services Related Business	April 22, 2024	Business Combination under Common Control
Shunfeng New Energy (Dameng Banner) Co., Ltd.	10 million yuan	Wind Power Technology Services	April 25, 2024	Newly Established
Shaoxing Shangyu Langao Enterprise Management Consulting Partnership (Limited Partnership)	5.4 million yuan	Business related to enterprise management consulting	February 6, 2024	Equity Participation
Taizhou Longneng Electric Power Co., Ltd.	2 million yuan	Photovoltaic Power Generation Related Business	January 22, 2024	Newly Established
Dongying Longneng Electric Power Co., Ltd.	9 million yuan	Photovoltaic power generation related business	January 29, 2024	Newly Established
Yangzhou Longzhixing Electric Power Co., Ltd.	1 million yuan	Photovoltaic power generation related business	March 12, 2024	Newly Established
Miluo Longneng Electric Power Co., Ltd.	9.6 million yuan	Photovoltaic Power Generation Related Business	April 12, 2024	Newly Established
Yuan'an Longneng Electric Power Co., Ltd.	1 million yuan	Photovoltaic power generation related business	April 11, 2024	Newly Established
Shanghai Songjiang Longzhixing Electric Power Technology Development Co., Ltd.	1 million yuan	Photovoltaic power generation related business	May 8, 2024	Newly Established
Damao Banner Longneng Electric Power Co., Ltd.	10 million yuan	Photovoltaic Power Generation Related Business	April 24, 2024	Newly Established
Luzhou Jiangyang District Longneng Power Sales Co., Ltd.	1 million yuan	Photovoltaic Power Generation Related Business	May 27, 2024	Newly Established
Meishan Dongpo District Longneng Power Sales Co., Ltd.	1 million yuan	Photovoltaic power generation related business	May 27, 2024	Newly Established

Wannian County Longneng Electric Power Co., Ltd.	1 million yuan	Photovoltaic power generation related business	May 22, 2024	Newly Established
Lu'an Longneng Electric Power Technology Co., Ltd.	1 million yuan	Photovoltaic power generation related business	June 19, 2024	Newly Established
Jinhua Longneng Electric Power Development Co., Ltd.	1 million yuan	Photovoltaic power generation related business	August 1, 2024	Newly Established
Siyang Longneng Electric Power Technology Co., Ltd.	1 million yuan	Photovoltaic Power Generation Related Business	August 14, 2024	Newly Established
Yuncheng Longneng Electric Power Technology Co., Ltd.	1 million yuan	Photovoltaic Power Generation Related Business	August 15, 2024	Newly Established
Bengbu Longneng Electric Power Co., Ltd.	1 million yuan	Photovoltaic Power Generation Related Business	August 13, 2024	Newly Established
Wolong Electric Drive (Shanghai) Co., Ltd.	50 million yuan	Electrical Machinery and Equipment Manufacturing Related Business	August 14, 2024	Newly Established
Baotou Longneng Electric Power Co., Ltd.	5 million yuan	Photovoltaic Power Generation Related Business	October 23, 2024	Newly Established
Nanjing Longmu New Energy Co., Ltd.	1 million yuan	New Energy Technology Promotion Services	2024.12.6	Newly Established
Suqian Suyu Longyuan New Energy Co., Ltd.	1 million yuan	New Energy Technology Promotion Services	2024.12.5	Newly Established
Mianzhu Longyuan New Energy Power Generation Co., Ltd.	1 million yuan	New Energy Technology Promotion Services	December 6, 2024	Newly Established

Subsidiary Name	Registered Capital	Primary Business	Date Established	Remarks
LongNeng Power Investment Holding GmbH	35,000 EUR	New Energy Investment	February 27, 2024	Newly Established
LONGNENG POWER PHILIPPINES INC.	12 million Philippine pesos	Power generation, transmission, and distribution services, etc.	March 7, 2024	Newly Established
Longneng Power Italy SRL	30,000 euros	Power generation, transmission, and supply services, etc.	2024.06.04	Newly Established
LONGNENG POWER HONG KONG LIMITED	HK$10,000	New energy project development and investment, equipment procurement, construction, design consulting, operation and maintenance management	2024.08.19	Newly Established
LN ELECTRIC POWER TECHNOLOGY MEXICO S. DE R.L. DE C.V.	50,000 Mexican pesos pesos	Power generation, transmission, and distribution services, etc.	July 9, 2024	Newly Established

1. Significant equity investments

☐ Applicable √ Not applicable

2. Significant Non-Equity Investments

☐ Applicable √ Not applicable

3. Financial Assets Measured at Fair Value

√ Applicable ☐ Not applicable

Unit: Yuan Currency: Renminbi

Asset Category	Opening Balance	Current Period Fair Value Change in Fair Value	Cumulative Fair Value Changes Recognized in Equity Fair Value Changes	Current Period Impairment Impairment	Purchase Amount for Current Period	Current Period Sale/Redemption Amount	Other Changes	Ending Balance
Private Funds	161,601,060.36	17,585,535.48	-	-	-	-	-	179,186,595.84
Stock	14,403,691.22	41,266,270.88	-	-	15,448,641.31	-	110,852,606.00	181,971,209.41
Other	682,438,036.60	63,955,937.32	-	-	1,750,000.00	-	-242,795.32	747,901,178.60
Total	858,442,788.18	122,807,743.68	-	-	17,198,641.31	-	110,609,810.68	1,109,058,983.85

Securities Investment

□ Applicable √ Not Applicable

Explanation of Securities Investment

☐ Applicable √ Not Applicable

Private Fund Investment Status

√ Applicable ☐ Not Applicable

The private equity funds held by the company primarily consist of the company's holdings in Tiancheng Qiandao No. 2 Securities Investment Private Fund, CITIC Merger & Acquisition Investment Fund (Shenzhen) Partnership, and Jinshi Growth Equity Investment (Hangzhou) Partnership.

The total book value of the Company's holdings in Tiancheng Qiandao No. 2 Securities Investment Private Fund at the

The total carrying value of the Company's holdings in Tiancheng Qiandao No. 2 Securities Investment Private Fund at the end of the period was RMB 89,111,207.45, accounting for 0.34% of the Company's total assets.The carrying value of the Company's holdings in Jinshi Growth Equity Investment (Hangzhou) Partnership at the end of the period totaled RMB 31,386,927.10, accounting for 0.12% of the Company's total assets. The carrying value of the Company's holdings in CITIC Merger & Acquisition Investment Fund (Shenzhen) Partnership at the end of the period was RMB 58,688,461.29, accounting for 0.21% of the Company's total assets.

Derivative Investment Status

☐ Applicable √ Not Applicable

4. Specific Progress of Major Asset Restructuring and Integration During the Reporting Period

☐ Applicable √ Not Applicable

(VI) Major Asset and Equity Disposals

☐ Applicable √ Not applicable

(vii) Analysis of Major Controlled and Participating Companies

√Applicable ☐ Not Applicable

（1） Wolong Electric Nanyang Explosion-Proof Group Co., Ltd.

Primarily engaged in the R&D, manufacturing, sales, and repair of explosion-proof motors, general-purpose motors, nuclear-grade motors, and other products. Registered capital: RMB 337.96 million RMB 33,796.00 million, with the Company holding 100% equity. As of the reporting period end, total assets amounted to RMB 728,248.49 million, net assets reached RMB 386,358.46 million, period, operating revenue reached 4,074,392,800 yuan, with net profit of 449,650,200 yuan.

（2） WOLONG Electric (Jinan) Motor Co., Ltd.

Primarily engaged in the manufacturing and sales of electric motors, motor components, electrical appliances, agricultural machinery parts, automotive parts, and products manufactured by the company. Registered capital: RMB 202.89 million; Company holds 70% equity. Total assets as of the reporting period: RMB 1,364.1564 million; Net assets: RMB 635.0936 million . During the reporting period, it achieved operating revenue of RMB 1,812.538 million and net profit of RMB 86.4394 million.

（3） Wolong Electric Huai'an Qingjiang Motor Co., Ltd.

Primarily engaged in the production and sales of various types of motors and production raw/auxiliary materials, as well as after-sales services for products; production and sales of marine auxiliary machinery and reducers; motor testing services, etc. Registered capital: RMB 359 million; Company holds 100% equity. Total assets as of the end of the reporting period: RMB 934.7938 million , with net assets of RMB 489.1013 million. During the reporting period, it achieved operating revenue of RMB 821.539 million and net profit of RMB 62.1697 million.

（4） Shaoxing Ouli-Wolong Vibration Machinery Co., Ltd.

Primarily engaged in the manufacturing and sales of vibration motors, vibrators, level sensors, vibrating rods, etc. Registered capital: USD 48.3481 million. Company holds 100% equity. 95.86%, WAMGROUPSPA holds 3.68%, Giorgio Gavioli holds 0.46%. As of the end of the reporting period, total assets amounted to 826.6999 million yuan, with net assets of 657.4976 million yuan. During the reporting period, operating revenue reached 477.7213 million yuan, and net profit amounted to 70.9104 million yuan.

（5） Wolong Italy Holding Group Co., Ltd.

Engaged in trade, investment, and related businesses. Registered capital: 11,000 euros. Company holds 100% equity. Total assets as of the reporting period: 1,284,472,600 yuan. Net assets: 592,774,500 yuan. Operating revenue for the reporting period: 653,791,900 yuan. Net profit: 76,136,100 yuan.

（6） Wolong Electric Group Liaoning Rongxin Electric Drive Co., Ltd.

Primarily engaged in electrical transmission and control series frequency converters, etc. Registered capital: RMB 100 million; Company holds 100% equity. Total assets as of the reporting period: RMB 829.7549 million; Net assets: RMB 356.4886 million; Operating revenue for the reporting period: RMB 445.1187 million; Net profit: 22.251 million yuan.

（7） Hong Kong Wolong Holding Group Co., Ltd.

Primarily engaged in trading and investment operations. Registered capital: USD 100 million. Company holds 100% equity. Total assets as of the reporting period: 7,378,448,300 yuan, with net assets of 1,364,298,200 yuan. During the reporting period, operating revenue reached 5,526,144,000 yuan, with net profit of 40,669,200 yuan.

（8） Wolong Electric (Vietnam) Co., Ltd.

Primarily engaged in the R&D, manufacturing, and sales of electric motors and control devices. Registered capital: US$10 million. Company holds 100% equity. Total assets as of the end of the reporting period: RMB 419.6762 million. Net assets: RMB 100.9571 million. Operating revenue for the reporting period: RMB 367.2555 million. Net profit of RMB 24.4662 million.

（9） WOLONG ELECTRIC USA LLC

Primarily engaged in low-voltage motors, etc. Registered capital: US$80 million. Company holds 100% equity. Total assets as of the reporting period: RMB 1,812,556,700, with net assets of RMB 992.7303 million. During the reporting period, it achieved operating revenue of RMB 1,379.0222 million and net profit of RMB 131.029 million.

（10） Wolong ZF Automotive Motor Co., Ltd.

Primarily engaged in new energy vehicle drive motors and their components, with a registered capital of RMB 412.1062 million. The Company holds a 74% stake. As of the end of the reporting period, total assets amounted to RMB 640.7460 million, with net assets of RMB 270.2975 million. During the reporting period, operating revenue reached RMB 365.1250 million, while net profit was RMB -48.9751 million.

(8) Structured Entities Controlled by

☐ Applicable √ Not applicable

VI. Discussion and Analysis of the Company's Future Development (1) Industry Landscape and Trends

√ Applicable ☐ Not Applicable

The Company focuses on the motor and drive control industry, with most of its products holding a high market share in their respective segments and exhibiting a trend of increasing market share year by year.

1. Competitive Landscape The domestic motor manufacturing sector features numerous producers with markedly different competitive dynamics across various market segments. Current competition primarily centers on technological sophistication, pricing, automation levels of manufacturing equipment, and production scale. Compounded by imperfect market mechanisms, intense price competition has adversely impacted the industry's healthy development.With the implementation of national supply-side reform policies, the increasing role of market selection, and strengthened industry entry barriers, the impact of price competition will gradually diminish. Mergers and acquisitions among large motor manufacturers, along with capital operations, will become more frequent. The competitive landscape will be restructured, with companies possessing strong competitive advantages emerging as leaders in the motor and drive control manufacturing sector.

2. Competitors

（1） ABB

Asea Brown Boveri Ltd, established in 1988, operates across five major business areas: power products, power systems, discrete automation and motion control, low-voltage products, and process automation. It provides robotic products, modular manufacturing cells, and services, dedicated to helping customers enhance production efficiency, improve product quality, and elevate safety standards.

（2） Innomotics Siemens

Innomotics is a specialized company spun off from Siemens AG in March 2023, focusing on motor and drive businesses. It inherits over 150 years of engineering expertise and a trusted legacy. Its portfolio encompasses motors, drives, solutions, and traditional and digital services, with extensive applications in industrial electrification, building automation, drive technology, and energy management. It stands as a global leader in electrical engineering.

（3） Nidec

Nidec Corporation, established in 1973, is a publicly listed Japanese conglomerate in the electronics and electrical industry. It supplies a comprehensive range of motor products—from precision miniature motors to ultra-large motors—and engages in R&D for motors used in "rotating and moving components" for various specialized applications.

（4） WEG

Founded in 1961, WEG is a global leader in industrial electrical and automation solutions. Its product portfolio focuses on motors and drive systems, energy solutions, automation and control, and renewable energy. Leveraging its deep technical expertise, global footprint, and innovation capabilities, WEG has become a benchmark enterprise in the industrial electrical sector. It remains committed to its mission of "Promoting Energy Efficiency, Creating a Sustainable Future," continuing to lead industry development.

3. Technological Trends

（1） Household Motors and Controls

a) Advancing toward microelectronic control and variable frequency speed regulation; b) Progressing toward high efficiency, energy conservation, and environmental sustainability; c) Evolving toward high reliability and electromagnetic compatibility; d) Moving toward low noise, low vibration, and low cost; e) Developing toward specialization, diversification, and intelligence;

f) Modularization, intelligentization, integration of electronic and motor systems, and permanent magnetization.

（2） Low-Voltage Motors and Drives

a) Advancement toward green high-efficiency and high material utilization; b) Advancement toward integrated motor and drive control technology;

c) Developing toward high power density, lightweight, and permanent magnet technologies;

d) Specialized technologies toward high performance, high precision, and load integration; e) Development toward high speed;

（3） High-voltage motors and drives

a) Advancing toward permanent magnet, high energy efficiency, and high power density technologies; b) Advancing toward high-power, low-speed permanent magnet direct drive technologies;

c) Developing high-speed direct drive technology;

d) Advancing toward high power density and high energy efficiency;

e) Longer lifespan, higher reliability, and lower noise;

f) Development toward integrated motor and drive control systems;

g) Developing toward full-lifecycle remote intelligent operation and maintenance diagnostics; h) Advancing toward high protection and explosion-proof performance.

(II) Corporate Development Strategy

√ Applicable □ Not applicable

The company will continue to consolidate its advantages in the traditional motor industry, focusing on the iterative upgrades of high-efficiency motors, permanent magnet motors, and motor-plus-inverter solutions; prioritizing Break through in the field of system solutions, vigorously developing the "motor + frequency conversion + host computer + sensor + N" system solution business. While continuously optimizing global resource allocation, the company will focus on strategic emerging industries, accelerating the cultivation of core competitiveness in cutting-edge fields such as humanoid robots and low-altitude economy, while simultaneously strengthening the systematic capability building of transformation businesses.

The company remains committed to building a "technology-leading enterprise," accelerating its strategic goal of becoming the "Global No. 1 in the Motor Industry." Through strategic planning during the 14th Five-Year Plan period, it aims to optimize industrial structure and achieve a leap in capabilities, thereby realizing the transformative development objective of "Rebuilding New Wolong" as scheduled.

(III) Business Plan

√ Applicable □ Not applicable

In 2025, the company will anchor its operations in the new development paradigm, leveraging strategic resolve to drive transformation and upgrading. It will comprehensively advance its overseas expansion strategy and deepen its "Overseas Frontline Campaign." By establishing an innovation ecosystem for technology-leading enterprises, it will accelerate dual-driven transformation through digital-intelligent advancement and green development. Leveraging organizational restructuring, operational model innovation, and refined incentive mechanisms, it will comprehensively advance deep systemic reforms.Focusing on enhancing operational quality, the company will ensure the achievement of its 2025 targets: RMB 16.383 billion in operating revenue and RMB 1.100 billion in net profit attributable to shareholders. Concurrently, breakthrough progress will be made in cultivating core business competitiveness and building sustainable development capabilities, laying a solid foundation for establishing a globally competitive modern enterprise.

(IV) Potential Risks

√ Applicable □ Not Applicable

1. Macroeconomic Risks

The Company's operations encompass the manufacturing of motor and drive control products, power supplies, and related items. Large-scale drive products serve downstream industries such as petrochemicals, coal, power generation, and cement—sectors closely tied to infrastructure development that are significantly influenced by national macroeconomic conditions and international economic growth rates. Adverse shifts in the macroeconomic environment could broadly impact the prosperity of these downstream industries and the production and operational performance of enterprises, thereby causing fluctuations in the Company's operating results.

2. Market Competition Risk

The micro-specialty motors and small-to-medium motors produced by the Company operate in relatively

fragmented industries with intense market competition. Due to lower industry entry barriers compared to large motors, the Company faces numerous domestic competitors. The Company's market competitiveness is directly determined by its ability to exercise precise control over production and operations. While products from the Company's overseas subsidiaries command significant brand premiums, their market competitiveness is inevitably influenced by varying political and economic environments across Europe, the Americas, and other regions where they operate.

3. Raw Material Price Fluctuation Risk

The primary raw materials for motor products are copper and steel, which constitute a significant portion of production costs. Fluctuations in international commodity prices can impact the company's operating performance. Leveraging its scale and market position, the company possesses strong purchasing bargaining power. Furthermore, many products adopt a pricing strategy that links sales prices to major raw material costs. Nevertheless, the possibility of significant and sustained fluctuations in key raw material prices negatively affecting the company's production and operations cannot be ruled out.

4. Exchange Rate Fluctuations and International Trade Environment Risks

The import and export trade conducted by the Company's domestic manufacturing enterprises primarily uses the US dollar and euro as settlement currencies, exposing the Company to uncertainties arising from fluctuations in the RMB exchange rate against foreign currencies. The settlement currencies of the Company's overseas subsidiaries are also affected by fluctuations in the exchange rates between major global currencies such as the US dollar, euro, and British pound. Against the backdrop of persistent geopolitical and economic uncertainties worldwide, international exchange rate volatility has increased compared to previous periods. The Company needs to implement various measures to mitigate the risks posed by exchange rate fluctuations to its operating performance.

5. Human Resource Risk

The Company's ongoing efforts to establish a global operational framework create a strong demand for senior management, sales, and technical talent with multinational operational capabilities. The progress of talent reserve and recruitment initiatives will impact the Company's operations to a certain extent. The Company is actively building an international management team by promoting work exchanges among domestic and overseas subsidiaries and implementing global recruitment strategies.

(V) Other

☐ Applicable √ Not Applicable

VII. Explanation of Non-Disclosure Due to Non-Applicability of Standards or Special Circumstances (e.g., State Secrets, Trade Secrets)

☐ Applicable √ Not applicable

Section IV Corporate Governance

I. Explanation of Corporate Governance Matters

√ Applicable ☐ Not applicable

In 2024, the Company continued to deepen the construction of its corporate governance system, strictly adhering to the Company Law, Securities Law, and Listed Company Governance Guidelines.

In compliance with legal and regulatory requirements such as the Corporate Governance Guidelines and the Basic Standards for Enterprise Internal Control, the Company advanced governance upgrades through a "dual-drive" mechanism: externally guided by regulatory mandates and internally driven by management efficiency improvements. This involved systematically refining the corporate governance structure, standardizing operational management processes, strengthening the internal control system, and comprehensively enhancing governance effectiveness.

During the reporting period, the Company strictly adhered to the Company Law, Securities Law, Shanghai Stock Exchange Listing Rules, and relevant regulations of the China Securities Regulatory Commission (CSRC). It prioritized strengthening standardized information disclosure management and continuously optimized corporate governance mechanisms. Through standardized operational systems and quality control measures, the Company effectively enhanced its overall operational quality. The Board of Directors believes that the actual state of the Company's corporate governance aligns with the requirements of the CSRC's Corporate Governance Guidelines for Listed Companies. Specific details are as follows:

1. Shareholder Rights Protection Mechanism

The Company strictly follows the provisions of the Articles of Association and the Rules of Procedure for Shareholders' Meetings to establish a shareholder rights protection system. By standardizing the procedures for convening shareholders' meetings and optimizing the voting mechanism, the Company effectively safeguards the rights of all shareholders, particularly minority shareholders, to information, participation, and voting. Channels for shareholders to express opinions have been established to ensure that all shareholders can fully exercise their rights to propose motions and raise questions at shareholders' meetings.

2. Controlling Shareholder Conduct Standards

The Company possesses independent business operations and autonomous management capabilities. The controlling shareholder strictly regulates its conduct, exercising its rights as an investor solely through the Shareholders' Meeting. It has not directly or indirectly interfered with the Company's decision-making or business activities beyond the authority of the Shareholders' Meeting. Related-party transactions between the Company and the controlling shareholder are fair and reasonable. The Company maintains five key separations from its controlling shareholder: personnel, assets, finances, organizational structure, and business operations. The Company's Board of Directors, Board of Supervisors, and internal departments all operate independently.Since its listing, the company has received substantial support and assistance from its controlling shareholder in areas such as capital, talent, and resources. There have been no instances of the controlling shareholder occupying the listed company's funds or assets. The company has established long-term mechanisms to prevent the controlling shareholder and its affiliated enterprises from occupying the listed company's funds or infringing upon its interests. These mechanisms are incorporated through relevant provisions in the "Rules of Procedure for Shareholders' Meetings," "Articles of Association," "Related Party Transaction Decision-Making Procedures," and "Fundraising Management System."

3. Board Governance Structure

The Company's Board of Directors consists of 9 directors, including 3 independent directors. The number and composition of the Board comply with legal and regulatory requirements. All directors diligently attend Board meetings in accordance with the "Rules of Procedure for Board Meetings" and other relevant systems. The Company has also established the

Work System for Independent Directors and Annual Work System for Independent Directors. Each independent director strictly adheres to these systems and diligently and conscientiously performs their respective duties with integrity.

The Board has established Audit, Nomination, Compensation and Evaluation, and Strategy Committees. All members of these specialized committees are directors. Independent directors constitute a majority and serve as conveners in the Audit, Nomination, and Compensation and Evaluation Committees. One independent director on the Audit Committee is an accounting professional. Since their establishment, these specialized committees have fully leveraged their professional expertise in the Company's operational management.

4. Supervisory Board Oversight System

The Company's Board of Supervisors strictly implements the relevant provisions of the Company Law and the Articles of Association. The number and composition of its members comply with legal and regulatory requirements.The Board of Supervisors consists of three supervisors, one of whom is an employee representative. Acting in accordance with the Rules of Procedure for the Board of Supervisors and with a sense of responsibility to shareholders, the Board diligently performs its duties. It effectively supervises the legality and compliance of the company's finances and the performance of duties by directors and senior management, and issues opinions accordingly.

5. Information Disclosure Management

The Company designates the Board Secretary to oversee information disclosure, handle shareholder visits and inquiries, and appoints China Securities Journal and Shanghai Securities News as the designated newspapers for the Company's information disclosure. The Company ensures that meeting resolutions are disclosed fully and promptly. It discloses relevant information truthfully, accurately, and completely in accordance with laws, regulations, the Articles of Association, and the Information Disclosure Management System. Confidentiality measures are implemented prior to disclosure to ensure all shareholders receive information fairly and equitably.

In 2024, the Company continues to prioritize enhancing disclosure quality and preventing disclosure errors. Through a supervisory matrix comprising pre-review by Board special committees, professional verification by independent directors, and compliance review by the Board of Supervisors, the Company implements multi-tiered checks on disclosed information. This ensures end-to-end safeguards for verifying authenticity, tracing accuracy, and assessing completeness, thereby comprehensively elevating disclosure compliance standards.

6. Investor Relations Management

Throughout 2024, the company intensified investor relations management efforts. This included diligently handling investor inquiries via phone calls and interactive platforms, as well as hosting on-site visits and meetings with multiple institutional investors. The company facilitated participation in shareholder meetings for small and medium-sized investors and provided an online voting platform for certain significant matters.

7. Insider Information Control

In accordance with the "Insider Information and Insider Management System," the company completed insider information and insider registration for the 2023 annual report, 2024 first-quarter report, semi-annual report, third-quarter report, and share repurchase activities.

8. Management of Competitive Activities and Related-Party Transactions

During the reporting period, Wolong Holding and other enterprises under its control did not engage in businesses overlapping with the Company's primary operations, thus no competitive overlap existed. All related-party transactions strictly adhered to the provisions of the Articles of Association and the Related-Party Transaction Decision-Making Procedures. The Company will continue to rigorously implement these regulations, fulfill relevant procedures, and ensure timely disclosure.

9. Stakeholder Collaboration

The Company has established a multi-dimensional stakeholder balance mechanism, comprehensively implementing an ESG governance framework: for employees, it implements dual career development pathways and improves supporting systems for compensation, benefits, and skill enhancement; with customers, it fosters symbiotic value chain relationships, deepening technological synergy and market coordination. By building an ecosystem-based cooperative relationship characterized by "risk sharing, value sharing, and win-win development," the Company continuously optimizes its sustainable development capabilities.

Are there any significant differences between the Company's governance practices and the laws, administrative regulations, and China Securities Regulatory Commission (CSRC) provisions governing listed company governance? If significant differences exist, the reasons should be explained.

□ Applicable √ Not Applicable

II. Specific measures taken by the Company's controlling shareholders and actual controllers to ensure the independence of the Company's assets, personnel, finances, institutions, and operations

Measures taken by the Company's controlling shareholders and actual controllers to ensure the independence of the Company's assets, personnel, finances, institutions, and operations, as well as solutions adopted, work progress, and follow-up plans for issues affecting the Company's independence

☐ Applicable √ Not applicable

Circumstances where the controlling shareholder, actual controller, and other entities under their control engage in the same or similar business as the company, as well as the impact on the company of significant changes in competitive or non-competitive situations, measures taken to resolve such situations, progress made, and subsequent resolution plans

☐ Applicable √ Not applicable

III. Overview of Shareholders' Meetings

Meeting Session	Date Held	Index for Querying the Designated Website for Resolution Publication	Date of Resolution Publication Disclosure Date	Session Meeting
First Extraordinary General Meeting of Shareholders in 2024	March 29, 2024 March 29	https://static.sse.com.cn/disclosure/listedinfo/announcement/c/new/2024-03-30/600580_20240330_R6KW.pdf	March 30, 2024 March 30	See Resolution Announcement for Details
2023 Annual General Meeting of Shareholders	May 20, 2024 May 20	https://static.sse.com.cn/disclosure/listedinfo/announcement/c/new/2024-05-21/600580_20240521_S29J.pdf	May 21, 2024 May 21	See Resolution Announcement for Details
2024 Second Extraordinary General Meeting of Shareholders	September 18, 2024 18	https://static.sse.com.cn/disclosure/listedinfo/announcement/c/new/2024-09-19/600580_20240919_7I4E.pdf	September 19, 2024 September 19	See Resolution Announcement for Details

Request by Preferred Shareholders with Restored Voting Rights to Convene an Extraordinary General Meeting

☐ Applicable √ Not Applicable

Explanatory Notes on Shareholders' Meetings

☐ Applicable √ Not Applicable

IV. Information on Directors, Supervisors, and Senior Management Personnel

(1) Changes in Shareholdings and Compensation of Current and Former Directors, Supervisors, and Senior Management During the Reporting Period

√ Applicable □ Not Applicable

Unit: Shares

Name	Position	Gender	Age	Term Start Date	Term End Date	Number of Shares Held at Beginning of Year	Number of Shares Held at Year-End	Annual Change in Number of Shares	Reason for Increase/Decrease	Total Pre-Tax Compensation Received from the Company During the Reporting Period (RMB 10,000)	Whether compensation was received from related parties of the company
Pang Xinyuan	Chairman	Male	46	September 8, 2017	September 6, 2026	814,559	814,559	0	-	127.11	No
Li Ming	Director, President	Male	59	September 8, 2020	September 6, 2026	1,637,459	1,637,459	0	-	106.20	No
Wan Chuangqi	Director	Male	53	September 8, 2020	September 6, 2026	1,229,921	1,229,921	0	-	129.28	No
Mo Yufeng	Director, Vice President	Male	55	November 15, 2021	September 6, 2026	173,300	485,088	311,788	Employee Stock Ownership Plan	115.25	No
Zhang Hongxin	Director	Male	46	January 4, 2022	September 6, 2026	216,000	162,000	-54,000	Restricted Stock Repurchase Cancellation	95.47	No
Zhang Wengang	Director, Vice President	Male	46	January 4, 2022	September 6, 2026	98,000	56,000	-42,000	Restricted Stock Repurchase Cancellation	68.12	No
Zhao Rongxiang	Independent Director	Male	63	September 7, 2023	September 6, 2026	0	0	0	-	15.00	No
Zhang Zhiming	Independent Director	Male	63	September 7, 2023	September 6, 2026	0	0	0	-	15.00	No

Name | Primary Work Experience

Pang Xinyuan | Pang Xinyuan, male, Macau Chinese nationality, born in 1979, holds the title of Senior Economist. Graduated from Shanghai Jiao Tong University with a Bachelor of Engineering degree in Industrial Foreign Trade, obtained a Master of Science degree from the University of Leeds, UK, and earned an EMBA degree from China Europe International Business School.

, an EMBA from China Europe International Business School, and a Ph.D. in Financial Management from Arizona State University. Previously served at Vishay China Investment Co., Ltd. From April 2013 to 2016

Name	Key Work Experience
	January 2013: Appointed Vice President of Wolong Holding Group Co., Ltd. September 2014 to present: Director of Wolong Electric Drive Group Co., Ltd. January 2016 to January 2022: General Manager of Wolong Electric Drive Group Co., Ltd. September 2017 to present: Director of Wolong Holding Group Co., Ltd. January 2022 to present: Chairman of Wolong Electric Drive Group Co., Ltd. Chairman of the Board.
Li Ming	Li Ming, male, born in 1966, holds a bachelor's degree. He has served as General Manager of Zhejiang Wolong Home Appliance Motor Co., Ltd., Executive Vice President of Wolong Electric Drive Group Co., Ltd., and General Manager of the Electric Control Division. From July 2017 to November 2021, he served as President of the Household Motor Group at Wolong Electric Drive Group Co., Ltd. Since July 2018, he has served as Director of Wolong Holding Group Co., Ltd. Director; from November 2021 to May 2024, he served as President of the Global Sales Headquarters of Wolong Electric Drive Group Co., Ltd.; from January 2022 to present, he has served as President of Wolong Electric Drive Group Co., Ltd. President.
Wan Chuangqi	Wan Chuangqi, male, born in 1972, holds the title of Senior Engineer and a Master's degree. He is a Deputy to the 14th People's Congress of Henan Province. He has served as General Manager of Zhejiang Wolong Home Appliance Motor Co., Ltd., General Manager of Wolong Electric Huai'an Qingjiang Motor Co., Ltd., General Manager of Wolong Electric (Jinan) Motor Co., Ltd., and President of China Sales Headquarters at Wolong Electric Drive Group Co., Ltd. From July 2018 to May 2022, he served as Director of Wolong Holding Group Co., Ltd. From November 2019 to December 2020, he served as Executive Vice President of the Global Sales Headquarters. Since November 2019, he has served as President of the Large Drive Business Group of Wolong Electric Drive. Since January 2020, he has served as Chairman and General Manager of Wolong Electric Nanyang Explosion-Proof Group Co., Ltd.September 2020 to present: Director of Wolong Electric Drive Group Co., Ltd. Co., Ltd.; May 2024 to present concurrently serves as President of Wolong Electric Drive Global Sales Headquarters.
Mo Yufeng	Mo Yufeng, male, born in 1971, holds a master's degree from the China Europe International Business School. He has served as Party Secretary and Executive Vice President of Nanyang Explosion-Proof Group Co., Ltd., Executive Vice President of Wolong Electric Nanyang Explosion-Proof Group Co., Ltd., and Vice President of the China Sales Headquarters at Wolong Electric Drive Group Co., Ltd. From November 2018 to December 2020, he served as Vice President of Wolong Electric Drive Group Co., Ltd.From January 2021 to present, he has served as President of the Industrial Drive Business Group at Wolong Electric Drive. From November 2021 to present, he has served as Director of Wolong Electric Drive Group Co., Ltd. ; December 2022 to present: Executive Vice President of Wolong Electric Drive Group Co., Ltd., concurrently serving as President of the Industrial Drive Business Group and Chairman of the ATB Business Group.
Zhang Hongxin	Zhang Hongxin, male, born in 1979, holds a bachelor's degree from Xi'an University of Technology. Previously served as General Manager of the Medium-Sized Business Division at Wolong Electric Explosion-Proof Group Co., Ltd.; 2021, he served as Deputy General Manager of Wolong Electric Drive Group Co., Ltd. Since 2022, he has served as President of the Household Motor Business Group of Wolong Electric Drive Group Co., Ltd. From January 2022 to present, Director of Wolong Electric Drive Group Co., Ltd.
Zhang Wengang	Zhang Wengang, male, born in 1979, holds a master's degree from Huazhong University of Science and Technology. From August 2017 to December 2021, he served as Assistant to the President, Vice President, and General Manager of the Medium-Sized Business Division at Wolong Electric Drive Group Co., Ltd. Since January 2022, he has served as Vice President of Wolong Electric Drive Group Co., Ltd. Since September 2023, he has served as Director of Wolong Electric Drive Group Co., Ltd. Director of Wolong Electric Drive Group Co., Ltd.

Zhao Rongxiang	Zhao Rongxiang, male, born in 1962, native of Dongyang, Zhejiang Province. Commenced employment in 1991. Professor, Doctor of Engineering.Previously served as Deputy Director of the Department of Electrical Machinery, Vice Dean of the School of Electrical Engineering, Director of the National Engineering Research Center for Power Electronics Applications, Dean of the Industrial Research Institute, Director of the Science Park Management Committee, Deputy Director of the Domestic Cooperation Committee at Zhejiang University, Chairman of Zhejiang University Sanyi Electric & Electronic Engineering Co., Ltd., Chairman of Zhejiang University Science Park Development Co., Ltd., Chairman of Zhejiang Zijin Town Construction Investment Co., Ltd., and Chairman of Zhejiang Intellectual Property Exchange Center Co., Ltd.Currently serves as Chief Scientist and Director of Jincheng Technology Co., Ltd.; since September 2021, Independent Director of Changshu Guorui Technology Co., Ltd.; since September 2023, Independent Director of Wolong Electric Drive Group Co., Ltd. .
Zhang Zhiming	Zhang Zhiming, male, born in 1962, holds a Doctorate in Law. He is currently a Professor at the School of Law, East China Normal University, a doctoral supervisor, and Director of the Academic Committee. Since September 2023, he has served as an Independent Director of Wolong Electric Drive Group Co., Ltd. Group Co., Ltd.
Deng Chunhua	Deng Chunhua, female, born in 1963, Chinese nationality, no permanent residency abroad, Master of Business Administration, Professor of Accounting, Certified Public Accountant (non-practicing member). From July 1984 to

Name	Primary Work Experience
	August 2003: Served as Teaching Assistant, Lecturer, and Associate Professor at Zhongnan University of Economics and Law (formerly Zhongnan University of Finance and Economics); August 2003 to present: Professor at Zhongnan University of Finance and Economics.Formerly served as Supervisor Accountant and Project Manager at Zhongnan University of Economics and Law (formerly Zhongnan University of Finance and Economics) Da Xin Accounting Firm; Vice Chairperson of the Trade Union at the School of Accounting, Zhongnan University of Finance and Economics; and Director of the Accounting Principles Teaching and Research Office. Awarded titles including "Outstanding Female Faculty Member" and "Outstanding Student Affairs Worker" by Zhongnan University of Finance and Economics. Currently serves as Independent Director of Konka Group Co., Ltd. and Independent Director of Zhejiang Jinhua Tomcat Cultural Industry Co., Ltd. Since September 2020, he has served as an Independent Director of Wolong Electric Drive Group Co., Ltd.
Zhao Jianliang	Zhao Jianliang, male, born in 1977, holds a bachelor's degree and is a Certified Tax Agent, Certified Public Accountant, and Senior Management Accountant. From February 2017 to October 2017, he served as Deputy Director of the Audit Department at Wolong Holding Group Co., Ltd. Audit Department of Wolong Holding Group Co., Ltd.; from September 2017 to September 2020, served as Supervisor of Wolong Electric Drive Group Co., Ltd.; from November 2017 to July 2022, served as Chief Financial Officer of Wolong Electric Drive Large Drive Business Group and Chief Financial Officer of Wolong Electric Nanyang Explosion-Proof Group Co., Ltd. Since August 2022, he has served as Director of the Audit and Legal Affairs Department at Wolong Electric Drive Group Co., Ltd.
Zhou Xiaofeng	Zhou Xiaofeng, male, born in 1990, holds a master's degree from Zhejiang University of Finance and Economics. From March 2018 to present, he has served as Accounting Manager at Wolong Electric Drive Group Co., Ltd.
Chen Feng	Chen Feng, male, born in 1977, holds a bachelor's degree from Wuhan University. From July 2012 to present, he has served as Investment Supervisor and Investment Director at Wolong Electric Drive Group Co., Ltd.
Zheng Yanwen	Zheng Yanwen, male, born in 1983, holds a doctoral degree from Tsinghua University. From April 2020 to December 2020, he served as Head of Transmission Business at Wolong Electric Drive Group Co., Ltd. Chief Engineer of the Department; January 2021 to December 2021, served as Deputy Chief Engineer and Vice President of the Large Drive Business Group at Wolong Electric Drive Group Co., Ltd.; December 2021 to present, serves as President of Wolong Electric (Shanghai) Central Research Institute Co., Ltd.; January 2022 to present, Vice President of Wolong Electric Drive Group Co., Ltd.
Yang Zijang	Yang Zijang, male, born in 1983, graduated from the School of Automotive Studies at Tongji University with a Bachelor of Engineering degree and obtained a Master of Accounting degree from the School of Management at Fudan University. Previously worked at PricewaterhouseCoopers Zhong Tian LLP, Shanghai Fuxin Venture Capital Co., Ltd., and Shanghai Fuxin Intelligent Traffic Control Co., Ltd. From November 2016 to April 2023, served as Chief Financial Officer and Executive President of Shanghai Zhonghe Environmental Protection Co., Ltd. From April 2023 to September 2023, he served as Deputy Chief Financial Officer of Wolong Electric Drive Group Co., Ltd. Since September 2023, he has served as Chief Financial Officer of Wolong Electric Drive Group Co., Ltd. Group Co., Ltd.

Dai Qin	Dai Qin, female, born in 1985, graduated with a Bachelor of Science in Atmospheric Sciences and a dual degree in Economics from the School of Physics, Peking University. She obtained a Master of Finance degree from the University of Hong Kong and holds a Chinese Legal Professional Qualification Certificate.From January 2011 to September 2013, she worked at Macquarie (Australia) Securities Shanghai Representative Office as an Assistant Researcher. From September 2013 to May 2015, she served as Investor Relations Director at China Financial Investment Management Co., Ltd. (0605.HK). From July 2015 to March 2023, she worked at Hongxing Investment Management Co., Ltd. as Director of Investor Relations. May 2015, she served as Investor Relations Director at China Financial Investment Management Co., Ltd. (0605.HK). From July 2015 to March 2023, she worked at Red Star Macalline Home Furnishing Group Co., Ltd. (601828.SH/1528.HK), successively holding positions as Deputy General Manager of the Securities Affairs Management Center, Investor Relations Director, and Investment Director.September 2023 to present: Secretary to the Board of Directors of Wolong Electric Drive Group Co., Ltd. Other circumstances:

Other Information

□ Applicable √ Not Applicable

(2) Current and Departed Directors, Supervisors, and Senior Management Personnel During the Reporting Period 1. Positions Held in Shareholder Units

√ Applicable □ Not applicable

Name of Appointed Personnel	Name of Shareholder Unit	Position Held at Shareholder Unit	Term Start Date	End Date of Term
Pang Xinyuan	Wolong Holdings	Director	September 30, 2017	Present
Li Ming	Wolong Holdings	Director	July 30, 2018	To date
Employment at Shareholder Units	None			
Statement of				

2. Employment Status at Other Entities

√ Applicable □ Not Applicable

Name of Incumbent Name	Name of Other Organization	Position Held at Other Organizations Position Held	Term Start Date Date	End of Term Date
Pang Xinyuan	Wolong Holding Group Co., Ltd.	Director	September 30, 2017	Present
	Wolong (Zhejiang) New Energy Technology Co., Ltd.	Executive Director and General Manager	October 9, 2022	October 8, 2025
	WOLONG ZF Automotive Motor Co., Ltd.	Chairman	December 18, 2020	Present
	WOLONG Electric (Jinan) Motor Co., Ltd.	Chairman	August 8, 2022	August 7, 2025
	WOLONG (Shanghai) Energy-Saving Technology Co., Ltd.	Chairman	April 18, 2023	April 17, 2026
	Wolong (Zhejiang) Corporate Headquarters Management Co., Ltd.	Executive Director, Manager	2022-10-19	October 18, 2025
	Wolong Electric (Shanghai) Central Research Institute Co., Ltd.	Chairman	December 20, 2022	December 19, 2025
	WOLONG Electric Group Liaoning Rongxin Electric Drive Co., Ltd.	Chairman	September 20, 2023	September 19, 2026
	WOLONG (Zhejiang) Power Electronics Co., Ltd.	Executive Director, Manager	2023-07-24	July 23, 2026
	Zhejiang Hill Robotics Co., Ltd.	Director	May 26, 2022	May 23, 2025
	Wolong Electric Drive (Shanghai) Co., Ltd.	Director, Manager	August 14, 2024	August 13, 2027
	WOLONG Electric Group Beijing Huatai Transformer Co., Ltd.	Chairman	June 17, 2022	June 16, 2025
	Zhejiang Ouli Drive System Co., Ltd.	Director	December 30, 2024	May 25, 2025
	Shanghai Wolong International Trading Co., Ltd.	Executive Director	February 21, 2014	Present
	Beijing Wolong Smart Hydrogen Energy Technology Co., Ltd.	Chairman	September 6, 2023	September 5, 2026
	Wolong (Zhejiang) Electric Drive Co., Ltd.	Chairman	September 20, 2023	September 19, 2026
	Shenzhen Wolong Energy Storage Technology Co., Ltd.	Chairman	December 18, 2023	December 17, 2026
	Zhejiang Longhong Enterprise Management Co., Ltd.	Executive Director, Manager	June 20, 2023	June 19, 2026
	Beijing Wolong Huatai Technology Co., Ltd.	Chairman	June 17, 2022	June 16, 2025
	ATB Austria Antriebstechnik AG	Supervisor	September 23,	Present

Appointee Member Name	Other Organization Name	Position Held at Other Organizations Position Held	Term Start Date Date	End of Term Date
	Wolong Resources Group Co., Ltd.	Chairman of the Board of Supervisors	October 16, 2024	October 15, 2027
	Wolong Electric Nanyang Explosion-Proof Group Co., Ltd.	Director	June 15, 2022	Present
	Wolong Electric (Jinan) Motor Co., Ltd.	Director	August 7, 2014	Present
	WOLONG (Shanghai) Energy-Saving Technology Co., Ltd.	Director	April 18, 2023	April 17, 2026
	Wolong (Zhejiang) Power Electronics Co., Ltd.	Director	July 24, 2023	July 23, 2026
	Zhejiang Hill Robotics Co., Ltd.	Director	December 16, 2020	Present
	Wolong (Zhejiang) Electric Drive Co., Ltd.	Director	September 20, 2023	September 19, 2026
	Beijing Wolong Smart Hydrogen Energy Technology Co., Ltd.	Director	September 6, 2023	September 5, 2026
	Zhejiang Wolong International Trade Co., Ltd.	Chairman of the Board, General Manager Manager	May 24, 2022	Present
	Wolong Electric Drive (Baotou) Permanent Magnet Motor Co., Ltd.	Executive Director	April 16, 2024	April 15, 2027
	Zhejiang Wolong Servo Technology Co., Ltd.	Chairman	April 30, 2021	June 17, 2024
Wan Chuangqi	Wolong Electric Nanyang Explosion-Proof Group Co., Ltd.	Chairman and CEO Manager	January 3, 2020	Present
	WOLONG Electric Group Shanghai Sales Co., Ltd.	Executive Director and General Manager	October 25, 2018	Present
	WOLONG Electric Nanyang Autopay Motor Co., Ltd.	Executive Director	January 7, 2020	Present
	Wuhan Autop Motor Co., Ltd.	Executive Director	May 24, 2022	Present
	ATB Austria Antriebstechnik AG	Supervisory Board Member	September 23, 2021	Present
Mo Yufeng	WOLONG Electric Nanyang Explosion-Proof Group Co., Ltd.	Director	July 28, 2011	Present
	Wolong Electric Huai'an Qingjiang Motor Co., Ltd.	Executive Director	March 3, 2022	Present
	WOLONG ELECTRIC GROUP Liaoning Rongxin Electric Drive Co., Ltd.	Director	December 26, 2019	Present
	WOLONG Electric Nanyang Explosion-Proof Group Industrial Drive Co., Ltd.	Executive Director	February 23, 2022	Present
	Nanyang Explosion-Proof Group Electrical System Engineering Co., Ltd.	Chairman	September 18, 2012	Present
	ATB Austria Antriebstechnik AG	Supervisor	September 23, 2021	Present

Zhang Hongxin	WOLONG Electric (Jinan) Motor Co., Ltd.	Director	August 8, 2022	Present
	Wolong (Nanyang) Agriculture & Animal Husbandry Technology Co., Ltd.	Executive Director and General Manager	August 21, 2023	August 20, 2026
	Wuhu Wolong Home Appliance Motor Co., Ltd.	Executive Director	August 19, 2022	Present
	Nanyang Explosion-Proof Group Electrical System Engineering Co., Ltd.	Director	September 18, 2012	Present
	Qingdao Wolong Electromechanical Integration Technology Co., Ltd.	Executive Director and Manager	January 19, 2022	Present
Zhang Wengang	Nanyang Explosion-Proof Group Electrical System Engineering Co., Ltd.	Director	September 18, 2012	Present
	Wolong Electric Group Supply Chain Management Co., Ltd.	Executive Director	March 20, 2024	Present
Zheng Yanwen	Wolong Electric (Shanghai) Central Research Institute Co., Ltd.	Director and General Manager General Manager	December 20, 2022	Present
	Zhejiang Hill Robotics Co., Ltd.	Director	May 24, 2022	Present
	Zhejiang Longchuang Motor Technology Innovation Co., Ltd.	Executive Director Director	December 17, 2024	Present
Yang Zijang	Wolong Electric Drive (Shanghai) Co., Ltd.	Chief Financial Officer	August 14, 2024	August 13, 2027
Zhao Rongxiang	Zhejiang Intellectual Property Exchange Center Co., Ltd.	General Manager	September 26, 2016	Present
	Jincheng Technology Co., Ltd.	Director	December 12, 2022	Present
	Changshu Guorui Technology Co., Ltd.	Independent Director	September 15, 2021	November 12, 2027
Deng Chunhua	Zhejiang Jinke Tomcat Cultural Industry Co., Ltd.	Independent Director	July 8, 2020	July 30, 2026
	Konka Group Co., Ltd.	Independent Director	December 3, 2018	July 24, 2025
	Zhejiang Youchuang Materials Technology Co., Ltd.	Independent Director	October 27, 2020	October 27, 2024
Zhao Jianliang	Wolong (Zhejiang) New Energy Technology Co., Ltd.	Supervisor	October 9, 2022	October 8, 2025
Appointee Name	Other Organization Name	Position Held at Other Organization Position Held	Term Start Date Date	End of Term Date
	Wolong Electric Nanyang Explosion-Proof Group Co., Ltd.	Supervisor	June 15, 2022	Present
	Zhejiang Wolong Shunyu Investment Co., Ltd.	Supervisor	November 15, 2024	To date
	Wolong Electric Group Zhejiang Lighthouse Power Supply Co., Ltd.	Supervisor	July 21, 2023	Present
	WOLONG Electric Drive (Baotou) Permanent	Supervisor	April 16, 2024	April 15, 2027

	Magnet Motor Co., Ltd.			
	WOLONG (Shanghai) Energy-Saving Technology Co., Ltd.	Supervisor	April 18, 2023	April 17, 2026
	Zhejiang Wolong Energy Storage System Co., Ltd.	Supervisor	October 24, 2022	October 23, 2025
	Wolong (Zhejiang) Corporate Headquarters Management Co., Ltd.	Supervisor	October 19, 2022	October 18, 2025
	Wolong Electric (Shanghai) Central Research Institute Co., Ltd.	Supervisor	December 20, 2022	Present
	WOLONG Electric Nanyang Autopay Motor Co., Ltd.	Supervisor	March 16, 2022	Present
	WOLONG (Zhejiang) Power Electronics Co., Ltd.	Supervisor	July 24, 2023	July 23, 2026
	Zhejiang Wolong Servo Technology Co., Ltd.	Supervisor	June 18, 2024	Present
	WOLONG Electric Drive (Shanghai) Co., Ltd.	Supervisor	August 14, 2024	August 13, 2027
	Wuhan Autopay Motor Co., Ltd.	Supervisor	May 24, 2022	Present
	Wolong Inard (Zhejiang) Hydrogen Energy Technology Co., Ltd.	Supervisor	April 3, 2024	April 2, 2027
	WOLONG (Zhejiang) Electric Drive Co., Ltd.	Supervisor	September 20, 2023	September 19, 2026
	Beijing Wolong Smart Hydrogen Energy Technology Co., Ltd.	Supervisor	September 6, 2023	September 5, 2026
	Wolong Energy Storage (Baotou) Technology Co., Ltd.	Supervisor	September 14, 2024	September 13, 2027
	Shaoxing Shangyu Yuzhi Electric Power Co., Ltd.	Supervisor	2024-04-28	April 27, 2027
	Shunfeng New Energy (Damang Banner) Co., Ltd.	Supervisor	2024-04-25	April 24, 2027
	Shaoxing Shangyu Shunfeng Electric Power Co., Ltd.	Supervisor	2024-04-22	April 21, 2027
	Shenzhen Wolong Energy Storage Technology Co., Ltd.	Supervisor	December 18, 2023	December 17, 2026
	Zhejiang Longhong Enterprise Management Co., Ltd.	Supervisor	June 20, 2023	June 19, 2026
Chen Feng	Zhejiang Shunyun Interconnection Technology Co., Ltd.	Director	September 3, 2021	June 17, 2024
Other Positions Held Statement	None			

(3) Compensation of Directors, Supervisors, and Senior Management Personnel

√ Applicable □ Not Applicable

Decision-Making Process for Remuneration of Directors, Supervisors, and Senior Management	The Company formulates compensation plans in accordance with relevant regulations. After review by the Compensation and Evaluation Committee, compensation for directors and supervisors is submitted to the Board of Directors for approval and then to the Shareholders' Meeting for ratification. Compensation for senior management is submitted to the Board of Directors for approval.
Do directors recuse themselves when the Board discusses their own compensation matters	Yes
Details of recommendations made by the Compensation and Evaluation Committee or independent directors at special meetings regarding remuneration matters for directors, supervisors, and senior management	The 2024 First Meeting of the Ninth Board of Directors' Compensation and Evaluation Committee submitted recommendations to the Board regarding the "Proposal on Annual Compensation for Directors, Supervisors, and Senior Management." It concluded that the allowances for the Company's directors, supervisors, and senior management are reasonably established, consistent with industry and regional standards, and aligned with the Company's actual operating conditions.The annual compensation levels for independent directors were deemed reasonable, taking into full consideration the overall average levels in the capital markets and the industry, as well as the professional advice or assistance provided by independent directors to the Board during the reporting period. Based on the principle of prudence, all directors abstained from

from voting and agreed to submit this proposal directly to the shareholders' meeting for deliberation.

The actual remuneration received by all directors, supervisors, and senior management personnel at the end of the reporting period at the end of the reporting period	The total remuneration actually received was RMB 9,850,400.

(4) Changes in Directors, Supervisors, and Senior Management Personnel

☐ Applicable √ Not Applicable

(5) Explanation of Penalties Imposed by Securities Regulatory Authorities in the Past Three Years

√ Applicable ☐ Not Applicable

On January 27, 2022, the Company received the Shanghai Stock Exchange's "Decision on Issuing a Regulatory Warning to Wolong Electric Drive Group Co., Ltd.

The specific details are available in the "Decision on Issuing a Regulatory Warning to Wolong Electric Drive Group Co., Ltd. and Relevant Responsible Persons" disclosed on the Shanghai Stock Exchange website on the same day.

On September 5, 2024, the Company received the "Decision on Issuing Warning Letters to Wolong Electric Drive Group Co., Ltd. and Relevant Individuals" issued by the Zhejiang Regulatory Bureau of the China Securities Regulatory Commission. Due to the Company's failure to issue a temporary announcement regarding the performance compensation for Hongxiang Co., Ltd., supervisory measures in the form of warning letters were imposed on the Company and individuals Pang Xinyuan, Li Ming, and Dai Qin respectively.For specific details, please refer to the "Announcement on Receiving the Administrative Regulatory Measures Decision Letter from the Zhejiang Regulatory Bureau of the China Securities Regulatory Commission" disclosed on the Shanghai Stock Exchange website on the same day.

The company and relevant personnel attach great importance to the issues raised in the aforementioned Decision. They will take this as a lesson, strengthen their study of securities laws and regulations, further enhance the standardization and rigor of accounting practices, effectively improve the company's operational compliance and information disclosure quality, and safeguard the interests of the company and all shareholders.

(VI) Other

☐ Applicable √ Not applicable

V. Details of Board Meetings Held During the Reporting Period

Meeting Number	Date Held	Resolution
Fourth Extraordinary Meeting of the Ninth Board of Directors	January 23, 2024	Announcement of Resolutions from the Fourth Extraordinary Board Meeting of the Ninth Term of Wolong Electric Drive (Ling 2024-003)
9th Extraordinary Board Meeting No. 5	March 12, 2024	Wolong Electric Drive Ninth Session Fifth Extraordinary Board Meeting Resolution Announcement (Temporary 2024-011)
Sixth Session of the Ninth Board of Directors	April 25, 2024	Wolong Electric Drive Ninth Board of Directors Sixth Meeting Resolution Announcement (Temporary 2024-024)
Seventh Extraordinary Meeting of the Ninth Board of Directors	June 25, 2024	Wolong Electric Drive Ninth Board of Directors Seventh Extraordinary Meeting Resolution Announcement (Temporary 2024-050)
Eighth Meeting of the Ninth Board of Directors	August 30, 2024	Wolong Electric Drive Ninth Board of Directors Eighth Meeting Resolution Announcement (Temporary 2024-061)
Ninth Extraordinary Board	October 29,	Wolong Electric Drive Ninth Board of Directors Ninth

Meeting	2024	Extraordinary Meeting Resolution Announcement (Temporary 2024-078)
Tenth Extraordinary Meeting of the Ninth Board of Directors	December 23, 2024	Wolong Electric Drive Ninth Session Tenth Extraordinary Board Meeting Resolution Announcement (Temporary 2024-088)

VI. Performance of Directors' Duties

(I) Directors' Attendance at Board Meetings and Shareholders' Meetings

Director Name	Independent Director Status	Board Meeting Attendance						Attendance at Shareholders' Meetings Attendance at Shareholders' Meetings
		Number of Board Meetings Required to Attend This Year Number of Attendances	Number of in-person meetings attended	Attendance by Correspondence Number of times	Number of proxy attendances	Number of absences	Whether absent for two consecutive meetings Attendance	Number of times attending shareholders' meetings Number
Pang Xinyuan	No	7	7	6	0	0	No	3
Dawn	No	7	7	5	0	0	No	3
Wan Chuangqi	No	7	7	7	0	0	No	3
Mo Yufeng	No	7	7	6	0	0	No	3
Zhang Hongxin	No	7	7	6	0	0	No	3
Zhang Wengang	No	7	7	5	0	0	No	3
Zhao Rongxiang	Yes	7	7	6	0	0	No	3
Zhang Zhiming	Yes	7	7	6	0	0	No	3
Deng Chunhua	Yes	7	7	6	0	0	No	3

Explanation for Absence from Two Consecutive Board Meetings

☐ Applicable √ Not Applicable

Number of Board Meetings Held During the Year	7
Of which: In-person meetings	-
Number of meetings held via teleconference	5
Number of meetings held in-person combined with remote communication methods	2

(2) Circumstances where directors raised objections to company matters

☐ Applicable √ Not Applicable

(III) Other

☐ Applicable √ Not applicable

VII. Establishment of Special Committees under the Board of Directors

√ Applicable ☐ Not Applicable

(1) Membership of Special Committees under the Board of Directors

Special Committee Category	Member Name
Audit Committee	Deng Chunhua, Zhang Zhiming, Pang Xinyuan
Nomination Committee	Zhang Zhiming, Zhao Rongxiang, Li Ming
Compensation and Evaluation Committee	Zhao Rongxiang, Deng Chunhua, Pang Xinyuan
Strategy Committee	Pang Xinyuan, Zhao Rongxiang, Li Ming, Wan Chuangqi, Mo Yufeng

(2) During the reporting period, the Audit Committee convened 6 meetings

Date Held	Meeting Content	Key Opinions and Recommendations	Other Duties Performed Responsibilities
April 7, 2024	Review the 2023 financial accounting statements and related notes prepared by the company	The Audit Committee conducted its work in strict compliance with laws, regulations, and relevant rules and regulations, acting diligently and responsibly. Based on the Company's actual circumstances, it provided relevant opinions. After thorough communication and discussion, all proposals were unanimously approved. and discussion, all proposals were unanimously approved.	None
2024-04-17	Comprehensive communication on annual report audit matters; review of the audit report after the issuance of preliminary audit opinions	The Audit Committee conducted its work in strict compliance with laws, regulations, and relevant rules and regulations, acting diligently and responsibly. Based on the company's actual circumstances, it provided relevant opinions. After thorough communication and discussion, all proposals were unanimously approved. and unanimous approval of all proposals.	None
2024-04-25	Reviewed the "2023 Annual Report and Summary," "2023 Annual Audit Report," "2023 Financial Settlement Report," the 2024 Annual Financia Budget Report, th Company's 2023 Internal Contro Assessment Report,the Proposa on Reappointing the Accounting Firm, the Proposal on Signing the <Annual Busines Cooperation Framewor Agreement>, the Company' 2023 Audit Committe Performance Report, Report of the Audit Committee on the Performance of Supervisory Duties by the 2023 Annual Accounting Firm, First Quarter Report for 2024 and other proposals	The Audit Committee conducted its work in strict compliance with laws, regulations, and relevant rules and regulations, acting diligently and responsibly. Based on the Company's actual circumstances, it provided relevant opinions. After thorough communication and discussion, all proposals were unanimously approved.	None
June 25, 2024	Review of the "Proposal on Correcting Prior Errors and Retroactive Adjustments"	The Audit Committee conducted its work in strict compliance with laws, regulations, and relevant rules and regulations, performing its duties diligently and responsibly. Based on the company's actual circumstances, it provided relevant opinions. After thorough communication and discussion, all proposals were unanimously approved. and discussion, unanimously approved all motions.	None
2024-08-30	Review of the "Full Text and Summary of the 2024 Semi-Annual Report"	The Audit Committee conducted its work in strict compliance with laws, regulations, and relevant rules and regulations, performing its duties diligently and responsibly. Based on the company's actual circumstances, it provided relevant opinions. After thorough communication and discussion, all proposals were unanimously approved. and thorough discussion, unanimously approved all motions.	None

October 28, 2024	Review of the "2024 Third Quarter Report"	The Audit Committee conducted its work in strict compliance with laws, regulations, and relevant rules and regulations, performing its duties diligently and responsibly. Based on the company's actual circumstances, it provided relevant opinions. After thorough communication and discussion, all motions were unanimously approved. and thorough discussion, unanimously approved all motions.	None

(3) Compensation and Evaluation Committee Meetings Held During the Reporting Period

Date of Meeting	Meeting Content	Key Opinions and Recommendations	Other Duties Performed Responsibilities
April 25, 2024	Reviewed the "Proposal on Annual Compensation for Directors, Supervisors, and Senior Management Personnel," the "Proposal on Allocating Funds from the 2023 Employee Stock Ownership Plan Award Fund," and the "Proposal on Allocating Funds from the 2023 Employee Stock Option Plan Award Fund." Proposal on the Allocation of the 2023 Employee Stock Ownership Plan Incentive Fund," and "Proposal on	The Compensation and Evaluation Committee conducted its work in strict compliance with laws, regulations, and relevant rules and regulations, acting diligently and responsibly. Based on the company's actual circumstances, it proposed relevant recommendations. After thorough communication and discussion, all motions were unanimously approved.	None
	The Company's 2021 Employee Stock Ownership Plan and the 2022 Employee Stock Ownership Plan Phase I Performance Evaluation (4) During the reporting period, the Strategy Committee convened two meetings.		

(4) During the reporting period, the Strategy Committee convened two meetings.

Date of Meeting	Meeting Content	Key Opinions and Recommendations	Other Duties Performed Responsibilities
April 27, 2024	Reviewed the "Proposal on Conducting Futures Hedging Operations for 2024"	The Strategy Committee conducted its work in strict compliance with laws, regulations, and relevant rules and regulations, acting diligently and responsibly. Based on the company's actual circumstances, it proposed relevant opinions. After thorough communication and discussion, all proposals were unanimously approved. and discussion, unanimously approved all proposals.	None
2024-12-23	Review of the "Proposal on Investing in and Constructing the Baotou Damao Banner New Energy Storage Grid-Connected Pilot Demonstration Project"	The Strategy Committee conducted its work in strict compliance with laws, regulations, and relevant rules and regulations, acting diligently and responsibly. Based on the company's actual circumstances, it proposed relevant opinions. After thorough discussion, all motions were	None

	Proposal	unanimously approved. and discussion, all motions were unanimously approved.	

(5) Details of Matters Subject to Objection

☐ Applicable √ Not applicable

VIII. Statement by the Board of Supervisors on Identified Risks

☐ Applicable √ Not applicable

The Board of Supervisors has no objections to the supervisory matters during the reporting period.

IX. Employee Status of the Parent Company and Major Subsidiaries at the End of the Reporting Period

(1) Employee Status

Number of employees on the payroll of the parent company	2,109
Number of employees at major subsidiaries	13,069
Total Number of Employees	15,178
Number of retired employees for whom the parent company and major subsidiaries bear expenses	160
Professional composition	
Professional composition category	Number of employees by professional composition
Production Personnel	10,178
Sales Personnel	854
Technical Staff	1,822
Finance Personnel	275
Administrative Staff	2,049
Total	15,178
Educational Level	
Educational Level Category	Number (persons)
Doctorate	27
Master's Degree	431
Bachelor's Degree	3,632
Associate Degree and Below	11,088
Total	15,178

(2) Compensation Policy

√Applicable ☐ Not applicable

The company implements centralized management and tiered implementation of human resources work, focusing on the development and cultivation of strategic human resources.

The formulation and execution of human resources strategic planning serve as the core, with the three pillars of human resources management driving implementation to achieve the strategic management functions of "recruitment, development, utilization, and retention." A Human Resources Shared Service Center has been established to provide a shared platform and professional human resources services.

Human resources policies are key factors influencing the internal corporate environment. The company has established scientific and standardized corporate human resources policies that embody the principles of fairness, openness, and impartiality, fully mobilizing employees' initiative, proactivity, and creativity in internal control and operational management activities.

The company actively builds a compensation system based on market value, performance contribution, and competency, aiming to energize existing personnel and better attract and retain core talent. It increases the proportion of performance-based pay tied to performance evaluations, emphasizing value contribution, widening income disparities, and aligning with market standards. Differentiated compensation is implemented for core positions across different industries based on market talent value, raising average wages and enhancing competitiveness in attracting talent.

(3) Training Plan

√ Applicable ☐ Not applicable

The company has established a tiered, role-specific, and categorized training system. It develops comprehensive training plans covering all employees, utilizing a combination of internal training and external training programs. to deliver employee training across multiple dimensions, including core competencies, general competencies, and specialized competencies. Training programs include: 1. New employee orientation to familiarize new hires with corporate culture and job skills; 2. Frontline training to reinforce daily operational knowledge and skills for existing staff; 3. Management training for frontline, mid-level, and senior personnel to enhance leadership, control, and execution capabilities; 4. Specialized technical training in marketing, engineering, and comprehensive management to further elevate professional skills.

In line with strategic development needs, the company prioritizes talent development. Through external recruitment and internal cultivation, it optimizes personnel structures closely aligned with strategy to elevate workforce quality; accelerates leadership renewal; emphasizes succession planning to continuously improve managerial capabilities; and refines frontline employee compensation systems. This cultivates an outstanding industrial workforce aligned with the group's transformation and upgrading, fostering sustainable and healthy corporate development.

(IV) Labor Outsourcing Status

☐ Applicable √ Not Applicable

X. Profit Distribution or Capital Reserve Conversion Proposal

(1) Formulation, Implementation, or Adjustment of Cash Dividend Policy

√ Applicable ☐ Not applicable

Article 211 of the Articles of Association clearly stipulates the Company's cash dividend policy, defining the form and timing of profit distribution

intervals, conditions and minimum ratios for cash dividends, specific conditions for issuing stock dividends, decision-making procedures and mechanisms for profit distribution, as well as procedures and mechanisms for adjusting the profit distribution policy. The Company strictly implements the cash dividend policy in accordance with its rules and regulations and provides specific explanations regarding cash dividend distributions.

The Company did not adjust its cash dividend policy during the reporting period.

(2) Special Explanation of Cash Dividend Policy

√ Applicable □ Not Applicable

Compliance with Articles of Association or Shareholders' Meeting Resolutions	√ Yes □ No
Are the dividend criteria and ratios clearly defined?	√ Yes □ No
Are the relevant decision-making procedures and mechanisms complete?	√ Yes □ No
Have independent directors fulfilled their duties and responsibilities and played their due role?	√ Yes □ No
Do minority shareholders have sufficient opportunities to express their opinions and concerns, and are their legitimate rights and interests adequately protected?	√ Yes □ No

(3) If the company was profitable during the reporting period and the parent company had distributable profits available for shareholders, but did not propose a cash dividend distribution plan, the company shall disclose in detail the reasons and the intended use and utilization plan for the undistributed profits.

□ Applicable √ Not applicable

(4) Proposed Profit Distribution and Capital Reserve Capitalization Plan for the Reporting Period

Unit: Yuan Currency: Renminbi

√ Applicable □ Not applicable

Number of Bonus Shares Issued per 10 Shares (Shares)	0
Cash Dividend per 10 Shares (CNY) (including tax)	1.5
Number of shares issued per 10 shares (shares)	2
Cash Dividend Amount (including tax)	194,621,163.90
Net profit attributable to ordinary shareholders of the listed company in the consolidated financial statements	792,825,176.52
Cash Dividend Amount as a Percentage of Net Profit Attributable to Common Shareholders of the Listed Company in the Consolidated Financial Statements (%)	24.55
Amount of cash dividends attributable to the repurchase of shares in cash	60,005,392.14
Total Dividend Amount (including tax)	254,626,556.04
Ratio of total dividend amount to net profit attributable to ordinary shareholders of the listed company in the consolidated financial statements (%)	32.12

(5) Cash Dividend Distribution for the Past Three Fiscal Years

Unit: RMB Currency: Renminbi

√ Applicable □ Not Applicable

Cumulative Cash Dividends Paid (Including Taxes) for the Last Three Fiscal Years (1)	520,312,500.40
Cumulative amount repurchased and canceled in the last three fiscal years(2)	66,099,549.92
Cumulative amount of cash dividends and repurchases and cancellations over the last three fiscal years (3) = (1) + (2)	586,412,050.32
Average annual net profit amount for the last three fiscal years (4)	707,404,543.94
Cash dividend payout ratio (%) for the last three fiscal years (5) = (3) / (4)	82.90
Net profit attributable to ordinary shareholders of the listed company in the most recent fiscal year in the consolidated financial statements	792,825,176.52
Undistributed profits of the Company's parent company in the most recent fiscal year	3,115,448,703.52

XI. Status and Impact of the Company's Equity Incentive Plans, Employee Stock Ownership Plans, or Other Employee Incentive Measures (1) Relevant incentive matters have been disclosed in interim announcements with no subsequent progress or changes

√ Applicable □ Not applicable

Summary of Matters	Query Index
On April 25, 2024, the Company convened its Ninth Session Sixth Board Meeting and Ninth Session Fourth Supervisory Board Meeting, which reviewed and approved the "Proposal Regarding the Non-Fulfillment of Exercise Conditions for the Third Initial Grant and Second Reserved Grant of Stock Options under the 2021 Stock Option and Restricted Stock Incentive Plan, and the Cancellation of Certain Granted but Unexercised Stock Options."The Company agreed to cancel 9,668,000 stock options granted but not yet exercised under the "2021 Stock Option and Restricted Stock Incentive Plan." These stock options were canceled on July 30, 2024. .	https://static.sse.com.cn/disclosure/listedinfo/announcement/c/new/2024-04-29/600580_20240429_5YOQ.pdf https://static.sse.com.cn/disclosure/listedinfo/announcement/c/new/2024-07-31/600580_20240731_4KMW.pdf
On April 25, 2024, the Company convened its Ninth Session Sixth Board Meeting and Ninth Session Fourth Supervisory Board Meeting. The meetings reviewed and approved the "Proposal Regarding the Failure to Meet Unlocking Conditions for the Third Initial Grant and Second Reserved Grant of Restricted Stock under the 2021 Stock Option and Restricted Stock Incentive Plan, and the Repurchase and Cancellation of Certain Restricted Stock." The Company agreed to Repurchase and Cancellation of Restricted Stock Granted but Not Yet Unlocked under the 2021 Stock Option and Restricted Stock Incentive Plan. Repurchase and Cancellation of Restricted Shares Granted but Not Yet Unlocked under the Company's 2021 Stock Option and Restricted Stock Incentive Plan." The repurchase and cancellation of these restricted shares will be completed on June 20, 2024. .	https://static.sse.com.cn/disclosure/listedinfo/announcement/c/new/2024-04-29/600580_20240429_VDWJ.pdf https://static.sse.com.cn/disclosure/listedinfo/announcement/c/new/2024-06-18/600580_20240618_23F3.pdf

On April 25, 2024,The Company convened its Ninth Session, Sixth Board Meeting, which reviewed and approved the "Proposal on Extracting the 2023 Employee Stock Ownership Plan Incentive Fund" and the "Proposal on Achieving Performance Assessment Targets for the Company's 2021 Employee Stock Ownership Plan Phase II and 2022 Employee Stock Ownership Plan Phase I."As of June 27, 2024,the Company's 2023 Employee Stock Ownership Plan has completed completed the secondary market sale of Wolong Electric Drive shares.	https://static.sse.com.cn/disclosure/listedinfo/announcement/c/new/2024-04-29/600580_20240429_NSQU.pdf https://static.sse.com.cn/disclosure/listedinfo/announcement/c/new/2024-06-28/600580_20240628_WDGW.pdf
Stock Purchase.	
As of July 23, 2024 ,the remaining employee stock ownership plan from 2018 to 2020 remaining unvested shares under the Company's 2018-2020 Employee Stock Ownership Plan 745,800 shares of company stock that did not meet the unlocking conditions have been collectively through competitive bidding. The employee shareholding plan has been fully implemented and terminated. has been fully implemented and terminated.	https://static.sse.com.cn/disclosure/listedinfo/announcement/c/new/2024-07-23/600580_20240723_9U0G.pdf

(2) Incentive arrangements not disclosed in interim announcements or with subsequent developments:

Equity incentive arrangements

☐ Applicable √ Not Applicable

Other Notes:

☐ Applicable √ Not applicable

Employee Stock Ownership Plan

☐Applicable √ Not applicable

Other Incentive Measures

☐ Applicable √ Not applicable

(3) Equity Incentives Granted to Directors and Senior Management During the Reporting Period

☐Applicable √Not applicable

☐ Applicable ☐ Not applicable

Unit: Ten Thousand Shares

Name	Position	Restricted Stock Holdings at Beginning of Year Quantity	Number of Restricted Stock Units Newly Granted During the Reporting Period Quantity	Grant Price of Restricted Stock (RMB)	Unlocked Shares	Unlocked shares	Restricted Stock Held at End of Period Quantity	Market Value at End of Reporting Period (RMB)
Zhang Hongxin	Director	5.40	0.00	7.40	0.00	5.40	0.00	17.19
Zheng Yanwen	Vice President	4.50	0.00	7.40	0.00	4.50	0.00	17.19
Zhang Wengang	Director, Vice President	4.20	0.00	7.40	0.00	4.20	0.00	17.19
Total	/	14.10	0.00	/	0.00	14.10	0.00	/

(4) Evaluation mechanisms for senior management during the reporting period, and the establishment and implementation of incentive mechanisms

√ Applicable ☐ Not applicable

Based on the annual operational objectives established at the beginning of the year, the Company conducts quarterly and annual supervision and evaluation of senior management personnel according to their respective responsibilities and assigned management targets.

The Company conducts quarterly and annual supervision and evaluation of senior management personnel based on the annual operational objectives established at the beginning of the year, in accordance with the responsibilities and management objectives assigned to each

XII. Development and Implementation of Internal Control Systems During the Reporting Period

√ Applicable ☐ Not Applicable

Based on the internal control system and evaluation methods, the Company's Board of Directors conducted an evaluation of the Company's internal control effectiveness as of December 31, 2024 (the benchmark date for the internal control evaluation report), and compiled an internal control self-evaluation report. Based on the identification of material weaknesses in the Company's financial reporting internal controls, t

The Board of Directors evaluated the effectiveness of the Company's internal controls as of December 31, 2024 (the benchmark date for the internal control evaluation report) and prepared an internal control self-evaluation report. Based on the determination of material weaknesses in the Company's financial reporting internal controls, no material weaknesses existed in the financial reporting internal controls as of the benchmark date of the internal control evaluation report. The Board of Directors believes that the Company has maintained effective financial reporting internal controls in all material respects in accordance with the requirements of the enterprise internal control standard system and relevant regulations.The "2024 Internal Control Evaluation Report" was published on the Shanghai Stock Exchange website (www.sse.com.cn) on April 26, 2025.

Explanation of Significant Deficiencies in Internal Control During the Reporting Period

□ Applicable √ Not Applicable

XIII. Management Control Over Subsidiaries During the Reporting Period

√ Applicable □ Not Applicable

During the reporting period, the Company strictly implemented management controls over its subsidiaries in accordance with relevant laws, regulations, and rules, including the Company Law and the Articles of Association. First, in accordance with relevant laws and regulations, the Company guided subsidiaries to improve their corporate governance structures, enhance modern enterprise systems, and revise and improve their articles of association and other relevant systems. Second, the Company urged subsidiaries to report major matters such as related-party transactions, external guarantees, and external investments to the Company in advance. Third, based on the principles of combining delegation with oversight, full authorization, and goal orientation, the Company implemented differentiated management for each subsidiary according to their specific business needs, focusing on the objectives of improving quality and efficiency, as well as transformation and upgrading.

XIV. Explanation Regarding the Internal Control Audit Report

√ Applicable □ Not applicable

The Company engaged XYZH Certified Public Accountants LLP to conduct an independent audit of the effectiveness of its internal controls and issued a standard unqualified opinion on the internal control audit report. The internal control audit report was published on the Shanghai Stock Exchange website (www.sse.com.cn) on April 26, 2025.

Whether the internal control audit report is disclosed: Yes

Type of opinion in internal control audit report: Standard unqualified opinion

XV. Rectification Status of Self-Inspection Issues under the Special Campaign on Corporate Governance of Listed Companies

In accordance with the China Securities Regulatory Commission's requirements for the Special Action on Corporate Governance of Listed Companies, the Company rigorously reviewed the self-inspection items for the special governance initiative based on the principles of truthfulness and accuracy, strictly adhering to relevant laws and regulations such as the Company Law, Securities Law, and Listed Company Standard Operating Procedures, as well as internal rules and regulations.Through this self-inspection, the Company believes that its governance

complies with the requirements of laws and regulations such as the Company Law, Securities Law, and Listed Company Standardized Operation, and that its governance structure is relatively sound, its operations are standardized, and there are no major issues.

XVI. Other

☐ Applicable √ Not Applicable

Section V Environmental and Social Responsibility

I. Environmental Information

Has an environmental protection mechanism been established?	Yes
Environmental Protection Investment During Reporting Period (Unit: 10,000 yuan)	508

(1) Environmental Protection Status of Companies and Major Subsidiaries Designated as Key Polluters by Environmental Protection Authorities

√ Applicable □ Not Applicable **1. Pollutant discharge information**

√ Applicable □ Not Applicable

The Company's subsidiary, Wolong Dengtou, is listed as a hazardous waste generator in the Key Polluting Entities Directory of the Shaoxing Municipal Environmental Protection Bureau. It has actively implemented requirements and no major environmental issues occurred during the reporting period. In future production and operations, the company will continue to fulfill its social responsibilities, enhance its comprehensive competitiveness, and make due contributions to environmental protection.

1. EHS (Environmental, Health, and Safety) Policy: Wolong Dengtou has consistently adopted the management policy of "pursuing customer satisfaction, preventing pollution, protecting occupational health, complying with laws and regulations, and achieving continuous improvement."

2. EHS Objectives: - 100% compliance rate for exhaust gas and wastewater discharge - Environmental protection equipment downtime rate ≤5% - Equipment inspection pass rate ≥95% - Zero work-related fatalities or injuries throughout the year - Minor injury incidence rate ≤3 incidents/year - Zero major equipment accidents - General equipment accident incidence rate ≤1 incident/month - 100% closure rate for safety incidentsOccupational health blood lead abnormality rate ≤2.5%, blood lead exceeding standard rate ≤1%.

3. Waste Disposal Methods: Company wastewater undergoes treatment at the wastewater treatment plant. After meeting standards, part of the treated water is reused for ground irrigation and equipment cleaning, while the remainder enters the municipal sewage network. Exhaust gases are treated through lead fume/dust collectors and acid mist scrubbers for compliant discharge. Hazardous solid wastes are collected, stored in designated hazardous waste storage facilities, and transported for disposal by qualified treatment entities.Pollutant Emissions: Wastewater pollutants include pH, lead, COD, total phosphorus, total nitrogen, suspended solids, and ammonia nitrogen. Exhaust gases contain lead and sulfuric acid mist (emission standards per GB30484-2013 "Pollutant Emission Standards for the Battery Industry")

Wolong Dengtou conducts monthly third-party environmental emission testing, with all results meeting standards. Online monitoring systems are installed for wastewater discharge, automatically uploading data to the Environmental Protection Bureau's monitoring platform. The Municipal Ecology and Environment Bureau conducts one unscheduled supervisory inspection annually; this year's inspection was completed with all data meeting requi

The data is automatically uploaded to the Environmental Protection Bureau's monitoring website. The Municipal Ecology and Environment Bureau conducts one unscheduled supervisory inspection annually. This year's inspection has been completed, and the data is compliant.

2. Construction and Operation Status of Pollution Prevention Facilities

√ Applicable □ Not Applicable

The company consistently prioritizes environmental protection, strictly adheres to relevant environmental laws and regulations, and actively fulfills its social responsibilities. The company has established has established the "Quality, Environment, and Occupational Health and Safety Management Procedure Documents" related to environmental protection, clearly defining the environmental responsibilities of each functional department. It has established comprehensive work procedures, focusing on monitoring, surveillance, and supervision to enhance prevention and control capabilities and operational management. At the same time, it has increased investment in the field of environmental protection, continuously carrying out regular operation and maintenance and technical upgrades of environmental protection equipment to improve the level and capacity of waste treatment.During the reporting period, the company and its subsidiaries actively implemented and strictly adhered to environmental laws, regulations, and management requirements throughout production processes. No major environmental incidents occurred, and environmental protection facilities operated normally.

3. Environmental Impact Assessments for Construction Projects and Other Environmental Protection Administrative Permits

√ Applicable □ Not Applicable

Wolong Lighthouse obtained environmental impact approval in May 2008 for an annual production capacity of 420,000 high-power UPS power supplies, 400,000 sealed communication power supplies, and 400,000 sealed maintenance-free automotive batteries (Shaoxing Environmental Review [2008] No. 48) in May 2008. The project passed its environmental protection completion acceptance inspection in 2013 (Shaoxing Environmental Construction Acceptance [2013] No. 16).

4. Emergency Response Plan for Sudden Environmental Incidents

√ Applicable □ Not Applicable

To enhance the company's capability to respond to sudden environmental pollution incidents, control their impact, and mitigate losses caused by such incidents, the company has developed an Environmental Emergency Response Plan in accordance with environmental protection laws and regulations. This plan has been filed with the local environmental protection bureau.

losses caused by such incidents, the company has developed an Environmental Emergency Response Plan in accordance with environmental protection laws and regulations and filed it with the local environmental protection bureau.

5. Environmental Self-Monitoring Plan

√ Applicable □ Not Applicable

The company has developed an annual self-monitoring plan and actively organizes and implements third-party environmental monitoring and company self-monitoring activities.

The Wolong Lighthouse wastewater discharge facility is equipped with an online monitoring system that conducts real-time monitoring of wastewater daily. Online monitoring data is automatically uploaded to the corresponding website of the Environmental Protection Bureau, with timely feedback and response to abnormal data. Additionally, Wolong Lighthouse will commission a third-party institution to monitor exhaust gases monthly.

6. Administrative Penalties for Environmental Issues During the Reporting Period

□ Applicable √ Not Applicable

7. Other Environmental Information Subject to Disclosure

□ Applicable √ Not Applicable

(II) Environmental Protection Status of Companies Outside Key Pollutant Discharging Units ( )

□ Applicable √ Not Applicable

(III) Information relevant to ecological protection, pollution prevention, and fulfillment of environmental responsibilities

√ Applicable □ Not applicable

For details, please refer to the company's disclosed "Wolong Electric Drive 2024 Environmental, Social, and

Governance Report."

(IV) Measures and Effects of to Reduce Carbon Emissions During the Reporting Period

Whether carbon reduction measures were implemented	Yes
Reduction in CO_2 Equivalent Emissions (Unit: Tons)	21,257.77
Types of Carbon Reduction Measures (e.g., using clean energy for power generation, applying carbon reduction technologies in production processes, developing new products that facilitate carbon reduction)	Replacing conventional power generation with clean energy, utilizing waste heat and pressure recovery, implementing energy-saving technological upgrades in production, purchasing and utilizing green electricity Purchase and use of green electricity

Specific Description

√ Applicable □ Not Applicable

As a leading enterprise in the motor industry, the company actively promotes the iterative upgrading of high-efficiency energy-saving motor products. It focuses on the low-carbon transportation needs of industries such as offshore engineering and marine vessels, electric aviation, new energy vehicles, and electric bicycles" ( ) to address low-carbon mobility demands across these sectors. It develops specialized solutions for electric drive power systems in large-scale transportation. Additionally, it focuses on the entire energy system encompassing "source-grid-load-storage-special" ( ), creating segmented industry solutions for a clean, low-carbon, safe, and efficient new energy system. These include "green energy, green industrial parks, green smart mines, and green and smart port power sources."

The company deeply implements green production principles, prioritizing both technological advancement and management excellence. We vigorously develop a circular economy, advance energy conservation and emission reduction practices, ensure pollutant emissions meet regulatory standards, strictly control total pollutant discharge volumes, and comprehensively deploy pollution prevention measures. Through effective actions, we reduce emissions of exhaust gases, waste materials, and wastewater, control dust pollution, and actively promote green production, green living, and green development, making positive contributions to improving environmental quality.

II. Social Responsibility Initiatives

(1) Whether a separate social responsibility report, sustainability report, or ESG report is disclosed

√ Applicable □ Not Applicable

See the company's disclosed "Wolong Electric Drive 2024 Environmental, Social, and Governance Report" for details.

(2) Specific Details of Social Responsibility Initiatives

√ Applicable □ Not Applicable

External Donations and Public Welfare Projects	Quantity/Content	Description
Total Investment (RMB 10,000)	232.94	
Of which: Funds (RMB 10,000)	232.94	
Material Value Equivalent (RMB 10,000)	-	
Beneficiaries (persons)	-	

Specific Notes

□ Applicable √ Not applicable

III. Specific Details on Consolidating and Expanding Poverty Alleviation Achievements, Rural Revitalization, and Related Work

√ Applicable □ Not Applicable

Poverty Alleviation and Rural Revitalization Projects	Quantity/Content	Description
Total Investment (RMB 10,000)	202	
Of which: Funds (RMB 10,000)	202	
Material Value Equivalent (RMB 10,000)		
Beneficiaries (persons)	1,005	Households in need: 1,005
Assistance Formats (e.g., industrial poverty alleviation, employment assistance, education-based poverty alleviation, etc.)		

Specific Description

□ Applicable √ Not Applicable

Section VI Important Matters

I. Status of Commitment Implementation

(1) Commitments made by the company's actual controller, shareholders, related parties, acquirers, and other relevant parties during the reporting period or extending into the reporting period

√ Applicable □ Not Applicable

Commitment Background	Type of Commitment	Committing Party	Commitment Content	Commitment Date	Is There a Performance Deadline?	Commitment Period	Whether Timely and Strictly Fulfilled	If not fulfilled in a timely manner, explain the reasons for non-fulfillment Specific reasons	If timely performance is not possible, the next action plan
and the commitments related to the initial public offering. related to the IPO	Resolve issues with competitors Competition	Chen Jiancheng	Wolong Holdings and its controlled entities shall not engage in direct or indirect competitive activities with the Company within or outside the People's Republic of China, either now or in the future.	-	Yes	Since the Company's listing	Yes	-	-
Other Commitments	Resolve related-party transactions	Wolong Electric Drive	1. The Company and other companies, enterprises, or economic organizations under its control shall strive to avoid and minimize related-party transactions with Hongxiang Electric, Yinchuan Wolong, and other wholly-owned subsidiaries of Hongxiang Electric. The Company and other entities under its control shall strictly avoid borrowing from or occupying funds of Hongxiang Electric and its subsidiaries, or engaging in practices such as having Hongxiang Electric and its subsidiaries advance funds or settle debts on their behalf, thereby misappropriating the listed company's funds; 2. For related-party transactions between the Company, other companies, enterprises, or economic organizations controlled by the Company, and Hongxiang Electric or its controlled subsidiaries that are unavoidable or occur for reasonable causes, all such transactions shall be conducted fairly and reasonably in strict compliance with market principles, based on the general principles of equality, mutual benefit, and equivalent compensation.All related-party transactions between the Company, other companies or enterprises controlled by the Company, or other economic organizations, and Hongxiang Electric Power and its controlled subsidiaries shall be conducted through legally executed agreements and proper procedures. Information disclosure obligations shall be fulfilled in accordance with relevant	-	Yes	November 29, 2016 November 29 .	is	-	-

			When handling related-party transactions involving other companies, enterprises, or economic organizations, we will proactively fulfill our recusal obligations in accordance with the law, and such transactions may only be executed after approval by the competent authority; 4. The Company guarantees that it will not obtain any improper benefits through related-party transactions or impose any improper obligations on Hongxiang Electric or its controlled subsidiaries. Should Hongxiang Electric or its controlled subsidiaries suffer losses due to violations of the above commitments, the Company and its controlled subsidiaries shall bear the losses and assume liability for compensation. shall bear full liability for compensation.						
	Other	Wolong Electric Drive	Following the completion of this transaction, the Company and its concerted parties shall not seek control over Hongxiang Electric through any means.	-	Yes	2017 October 13 onward	is	-	-
	Other	Wolong Electric Drive	Following the completion of this transaction, the Company will cease further asset sales to Hongxiang Electric.	-	Yes	2017 October 13 onward	is	-	-

(2) If the company has profit forecasts for assets or projects, and the reporting period is still within the forecast period, the company shall explain whether the assets or projects have met the original profit forecasts and the reasons for any deviation.

☐ Met ☐ Not Met √ Not Applicable

(III) Status of performance commitment fulfillment and its impact on goodwill impairment testing

☐ Applicable √ Not applicable

II. Non-operational fund occupation by controlling shareholders and other related parties during the reporting period

☐Applicable √Not applicable

III. Non-Compliant Guarantees

☐ Applicable √ Not Applicable

IV. Explanation by the Company's Board of Directors Regarding the "Non-Standard Opinion Audit Report" Issued by the Accounting Firm

☐ Applicable √ Not Applicable

V. Analysis and Explanation of the Reasons and Impacts of Changes in Accounting Policies, Accounting Estimates, or Corrections of Significant Accounting Errors

(1) Company's Analysis and Explanation of the Reasons and Impact of Changes in Accounting Policies and Accounting Estimates

√ Applicable ☐ Not applicable

See "Section 10, Financial Reports" under "V. Significant Accounting Policies and Estimates" in this report, specifically "40. Significant Accounting Policies and Accounting Estimates" in Section 10, Financial Reports, of this report.

(2) Company's Analysis and Explanation of the Reasons for and Impact of Corrections to Significant Accounting Errors

☐Applicable √ Not applicable

(3) Communication between and the Previous Accounting Firm

☐ Applicable √ Not applicable

(4) Approval Procedures and Other Explanations for

☐Applicable √ Not applicable

VI. Appointment and Dismissal of Accounting Firms

Unit: RMB 10,000 Currency: RMB

	Currently Engaged
Name of Domestic Accounting Firm	ShineWing CPA Firm (Special General Partnership)
Remuneration for Domestic Accounting Firm	246
Domestic Accounting Firm Audit Term	4 years
Domestic CPA Firm Certified Public Accountant Names	Xie Hui, Lin Huiting
Cumulative Years of Audit Services Provided by Domestic CPA Firm	Xie Hui: 1 year, Lin Huiting: 4 years

	Name	Fee
Internal Control Audit Accounting Firm	ShineWing CPA Firm (Special General Partnership)	80

Statement on the Appointment and Dismissal of Accounting Firms

☐ Applicable √ Not Applicable

Statement on Change of Accounting Firm During Audit Period

☐ Applicable √ Not applicable

Explanation of Audit Fees Decreasing by 20% or More (Inclusive) Compared to the Previous Year

☐Applicable √ Not applicable

VII. Circumstances Involving Delisting Risk

(1) Reasons for delisting risk warnings

☐Applicable √ Not applicable

(2) Countermeasures Proposed by the Company

☐ Applicable √ Not Applicable

(3) Circumstances and Reasons for Facing Termination of Listing

☐Applicable √ Not Applicable

VIII. Matters Related to Bankruptcy Reorganization

☐ Applicable √ Not Applicable

IX. Significant Litigation and Arbitration Matters

☐The company had significant litigation or arbitration matters during the current fiscal year. √The company had no significant litigation or arbitration matters during the current fiscal year.

X. Violations, Penalties, and Rectification Measures Involving the Listed Company and Its Directors, Supervisors, Senior Management, Controlling Shareholders, and Actual Controllers

☐ Applicable √ Not Applicable

XI. Statement on Integrity Status of the Company, Its Controlling Shareholders, and Actual Controllers During the Reporting Period

☐ Applicable √ Not applicable

XII. Significant Related-Party Transactions

(1) Related-party transactions related to daily operations

1. Matters previously disclosed in interim announcements with no subsequent progress or changes

☐ Applicable √ Not applicable

2. Matters disclosed in interim announcements with subsequent implementation progress or changes

☐Applicable √ Not applicable

3. Matters not disclosed in interim announcements

☐Applicable √Not applicable

(II) Related-party transactions arising from asset or equity acquisitions/disposals

1. Matters disclosed in interim announcements with no subsequent progress or changes

□Applicable √Not applicable

2. Matters disclosed in interim announcements with subsequent implementation progress or changes

☐Applicable √ Not applicable

3. Matters not disclosed in interim announcements

☐Applicable √Not applicable

4. Where performance covenants are involved, the achievement of performance targets during the reporting period shall be disclosed

☐Applicable √ Not applicable

(3) Significant Related-Party Transactions Involving Joint External Investments

1. Matters disclosed in interim announcements with no subsequent progress or changes

☐ Applicable √ Not applicable

2. Matters disclosed in interim announcements with subsequent implementation progress or changes

☐Applicable √ Not applicable

3. Matters not disclosed in interim announcements

☐Applicable √Not applicable

(IV) Related Party Debt and Credit Transactions

1. Matters disclosed in the interim announcement with no subsequent progress or changes

☐Applicable √Not applicable

2. Matters disclosed in the interim announcement with subsequent implementation progress or changes

☐Applicable √ Not applicable

3. Matters not disclosed in interim announcements

☐Applicable √Not applicable

(5) Financial transactions between the Company and its affiliated finance companies, or between the Company's controlled finance companies and related parties

☐Applicable √Not applicable

(VI) Other

☐ Applicable √ Not applicable

XIII. Significant Contracts and Their Performance Status (1) Custody, Contracting, and Leasing Matters 1. Custody Status

□ Applicable √ Not Applicable

2. Contracting Status

□Applicable √Not Applicable

3. Leasing Status

□ Applicable √ Not Applicable

(II) Guarantee Status

√ Applicable □ Not Applicable

Unit: Ten thousand yuan

Currency: Renminbi

Company's External Guarantees (Excluding Guarantees to Subsidiaries)														
Guarantor	Relationship Between Guarantor and Listed Company	Guarantee Recipient	Guarantee Amount	Guarantee Date (Agreement Signing Date)	Guarantee Commencement Date	Guarantee Expiration Date	Guarantee Type	Collateral (if applicable)	Has the guarantee been fully discharged?	Is the guarantee overdue?	Overdue Guarantee Fee Amount	Counter-guarantee status	Is it a guarantee for an affiliated party?	Related Party Relationship
Wolong Electric Drive	Company Headquarters	Wolong Holding	14,000.00	May 29, 2023	May 29, 2023	March 21, 2025	Joint and Several Liability Guarantee	None	No	No	-	Yes	Yes	Controlling Shareholder
Wolong Electric Drive	Company Headquarters	WOLONG Holding	5,000.00	May 29, 2023	May 29, 2023	April 19, 2025	Joint and Several Liability Guarantee	None	No	No	-	Yes	Yes	Controlling Shareholder
Wolong Electric Drive	Company Headquarters	WOLONG Holding	33,000.00	September 19, 2023	September 19, 2023	September 19, 2025	Joint and Several Liability Guarantee	None	No	No	-	Yes	Yes	Controlling Shareholder
Wolong Electric	Company Headquarters	WOLONG Holding	25,000.00	May 23, 2024	May 23, 2024	May 23, 2026	Joint and Several Liability Guarantee	None	No	No	-	Yes	Yes	Controlling Share

Amount of debt guarantees provided directly or indirectly to guaranteed parties with a debt-to-asset ratio exceeding 70% (D)	-
Amount of guarantees exceeding 50% of net assets (E)	-
Total of the above three guarantee amounts (C+D+E)	77,000.00
Explanation of Potential Joint Liability for Unmatured Guarantees	None
Guarantee Status Statement	None

(3) Cash Asset Management Entrusted to Third Parties 1. Entrusted Investment Management

(1) Overall Situation of Entrusted Investment Management

☐ Applicable √ Not applicable

Other Circumstances

☐ Applicable √ Not applicable

(2) Individual Entrusted Investment Situations

☐Applicable √ Not applicable

Other Situations

☐ Applicable √ Not applicable

(3) Impairment Reserve for Entrusted Asset Management

☐Applicable √

Not applicable 2.

Entrusted Loans

(1) Overall Situation of Entrusted Loans

☐Applicable √ Not applicable

Other Circumstances

☐ Applicable √ Not applicable

(2) Single-item entrusted loan situation

☐Applicable √ Not applicable

Other Situations

☐Applicable √ Not applicable

(3) Impairment Reserve for Entrusted Loans

☐Applicable √ Not applicable

3. Other circumstances

☐Applicable √ Not applicable

(IV) Other Significant Contracts

☐ Applicable √ Not applicable

XIV. Progress Report on Raised Funds Utilization

☐ Applicable √ Not applicable

XV. Explanation of Other Significant Matters with Major Impact on Investors' Value Judgments and Investment Decisions

☐Applicable √Not Applicable

Section VII Share Changes and Shareholder Information

I. Changes in Share Capital

(a) Share Change Schedule

1. Shareholding Changes Table

Unit: Shares

	Before Current Change		Change in This Transaction (+, -)					After Change	
	Quantity	Percentage (%)	New share issuance	Bonus Shares	Capital reserve conversion Shares	Other	Subtotal	Quantity	Ratio (%)
I. Shares Subject to Restrictions Shares	2,949,000	0.02	-	-	-	-2,949,000	-2,949,000	-	-
1. State-owned shares	-	-	-	-	-	-	-	-	-
2. State-owned legal entities holding shares	-	-	-	-	-	-	-	-	-
3. Other Domestic Shareholders shares	2,949,000	0.02	-	-	-	-2,949,000	-2,949,000	-	-
Of which: Domestic non-legal entities	-	-	-	-	-	-	-	-	-
Domestic Domestic natural person holdings	2,949,000	0.02	-	-	-	-2,949,000	-2,949,000	-	-
4. Foreign Shareholding	-	-	-	-	-	-	-	-	-
Among them: Foreign legal Shareholding	-	-	-	-	-	-	-	-	-
Foreign Individual Shareholding	-	-	-	-	-	-	-	-	-
II. Unrestricted Sale Shares	1,308,291,126	99.78	-	-	-	-5,668,500	-5,668,500	1,302,622,626	100.00
Unrestricted Circulating Shares									
1. Renminbi Ordinary Shares Shares	1,308,291,126	99.78	-	-	-	-5,668,500	-5,668,500	1,302,622,626	100.00
2. Foreign-funded shares listed	-	-	-	-	-	-	-	-	-

2. Explanation of Share Changes

√ Applicable ☐ Not applicable

On June 20, 2024, in light of the failure to achieve the performance targets for the third phase of the initial grant and the second phase of the reserved grant under the 2021 Stock Option and Restricted Stock Incentive Plan, and in accordance with the relevant provisions of the Company's Incentive Plan, the Company will repurchase and cancel all shares corresponding to the third phase of the initial grant and the second phase of the reserved grant under this Incentive Plan.

, the Company will repurchase and cancel all 2,839,000 shares corresponding to the third initial grant and second

reserved grant under this incentive plan. Given that

Wang Yong from the initial grant recipients and Li Shubao and Zhang Chunsheng from the reserved grant recipients no longer meet the incentive eligibility criteria due to voluntary resignation, pursuant to the relevant provisions of the Company's Incentive Plan, the Company will repurchase and cancel all 110,000 shares of restricted stock corresponding to these individuals that have been granted but not yet released from restrictions. shares of restricted stock that have been granted but not yet released from restrictions. In summary, the Company will repurchase and cancel a total of 2,949,000 shares. The Company's total share capital will be adjusted from 1,311,240,126 shares to 1,308,291,126 shares.

November 5, 2024. The purpose of 5,668,500 shares repurchased by the company in 2021 has been changed from the original repurchase plan's "for use in share-based incentive plans" to "for cancellation and reduction of registered capital." After cancellation, the company's total share capital will be 1,308,291,126 shares.

equity incentive plan" to "cancellation and reduction of registered capital." Following the cancellation, the company's total share capital decreased from 1,308,291,126 shares to 1,302,622,626 shares.

3. Impact of the share adjustment on financial metrics such as earnings per share (EPS) and net assets per share for the most recent fiscal year and period (if any)

☐ Applicable √ Not applicable

4. Other information deemed necessary by the company or required for disclosure by securities regulators

☐ Applicable √ Not applicable

(II) Changes in Restricted Shares

√ Applicable ☐ Not applicable

Unit: Shares

Shareholder Name	Restricted Shares at Beginning of Year Number of Shares	Lifted in Current Year Number of shares released from restrictions	Increase This Year Number of shares subject to restrictions	Year-end restricted Number of shares subject to restrictions	Reason for Restriction	Lifted Restrictions Date
Key Management Personnel (Total: 108 persons)	2,949,000	-	-	-	Restricted stock granted to equity incentive recipients Under lock-up period	-
Total	2,949,000	-	-	-	/	/

II. Securities Issuance and Listing Status

(1) Securities Issuance During the Reporting Period

☐ Applicable √ Not Applicable

Explanation of Securities Issuance During the Reporting Period (For bonds with different interest rates during the term, please explain separately):

☐Applicable √ Not applicable

(2) Changes in the Total Number of Company Shares, Shareholder Structure, and Changes in the Structure of

Company Assets and Liabilities

□Applicable √ Not applicable

(3) Existing Internal Employee Shareholding Situation

□ Applicable √ Not applicable

III. Shareholders and Controlling Shareholders (1) Total Number of Shareholders

Total Number of Common Shareholders at the End of the Reporting Period (Households)	143,375
Total Number of Common Shareholders (Households) as of the End of the Month Immediately Preceding the Annual Report Disclosure Date	250,669
Total Number of Preferred Shareholders with Voting Rights Restored as of the End of the Reporting Period (households)	-
Total number of preferred shareholders with restored voting rights as of the end of the month preceding the annual report disclosure date (households)	-

(II) Shareholding Status of Top Ten Shareholders and Top Ten Circulating Shareholders (or Shareholders with No Restrictions on Transfer) as of the End of the Reporting Period

Unit: Shares

Top Ten Shareholders' Holdings (Excluding Shares Lending via Securities Lending)							
Shareholder Name (Full Name)	Increase/Decrease During Reporting Period	Ending Shareholding Quantity	Shareholding Ratio (%)	Number of Restricted Shares Held	Pledged, marked, or Frozen		Shareholder Type
					Share status	Quantity	
Zhejiang Wolong Shunyu Investment Co., Ltd.	-	422,798,480	32.46	-	Collateral Collateral	45,000,000	Domestic Non-State-Owned Legal Entity
Wolong Holding Group Co., Ltd. Company	-	61,699,513	4.74	-	None	-	Domestic non-state-owned Legal Entities
Hong Kong Central Clearing Limited Company	14,029,944	26,095,713	2.00	-	None	-	Domestic non-state-owned Legal Entity
Chen Jiancheng	-	21,149,956	1.62	-	None	-	Domestic Natural Person
Shaoxing Shangyu District State-owned Capital Investment and Operation Co., Ltd. Company	-	18,311,142	1.41	-	None	-	State-owned legal entity

Hong Kong Securities Clearing Company Limited	26,095,713	Renminbi Ordinary Shares	26,095,713
Chen Jiancheng	21,149,956	Class A ordinary shares	21,149,956
Shaoxing Shangyu District State-owned Capital Investment Operation Co., Ltd.	18,311,142	RMB Common Shares	18,311,142
China Construction Bank Corporation - Qianhai Kaiyuan Public Utilities Industry Stock Fund Securities Investment Fund	16,996,305	RMB Common Shares	16,996,305
Agricultural Bank of China Limited – CSI 500 Exchange-Traded Open-Ended Index Securities Investment Fund Securities Investment Fund	12,768,417	RMB Ordinary Shares	12,768,417
Morgan Stanley & Co. International PLC.	7,557,789	Class A ordinary shares	7,557,789
China Life Anbao Fund - China Life Insurance Company Limited - Dividend Insurance - China Life Anbao Fund China Life Shares Balanced Equity Portfolio Single Asset Management Plan (Available for Sale) Sale)	5,095,300	RMB Common Shares	5,095,300
National Social Security Fund Portfolio 403	4,495,707	RMB Ordinary Shares	4,495,707
Repurchase Special Accounts Among Top Ten Shareholders As of the end of the reporting period, Wolong Electric Drive Group Co., Ltd. had repurchased	As of the end of the reporting period, Wolong Electric Drive Group Co., Ltd. held 5,148,200 shares in the repurchase special securities account held 5,148,200 shares, representing 0.40% of total shares.		
Explanation of Proxy Voting, Entrusted Voting Rights, and Waiver of Voting Rights by the Above Shareholders and Waiver of Voting Rights	None		
Explanation of Related Party Relationships or Concerted Actions Among the Above Shareholders	(1) Mr. Chen Jiancheng holds 48.93% equity interest in Wolong Holdings; (2) Wolong Holding is a shareholder of Wolong Investment, holding 100% of its equity; Mr. Chen Jiancheng and Zhejiang Longxin Equity Investment Partnership (Limited Partnership) are concert parties who increased their holdings of the Company's shares through the Shanghai Stock Exchange trading system from July 15, 2015 15, 2015 to January 8, 2016 through the Shanghai Stock Exchange trading system; (3) The Company is unaware of any other top ten unrestricted shareholders or top ten shareholders having any related party relationships or being designated as concerted parties under the "Measures for the Disclosure of Shareholding Changes by Shareholders of Listed Companies." .		
Shareholders of preferred shares with restored voting rights and Number of Shares	None		

Shareholders holding 5% or more of the shares, top ten shareholders, and top ten shareholders of unrestricted circulating shares participating in securities lending business

√ Applicable □ Not applicable

Unit: Shares

Shareholding Status of Shareholders Holding 5% or More, Top Ten Shareholders, and Top Ten Unrestricted Circulating Shareholders Participating in Securities Lending								
Shareholder Name (Full Name)	Opening Balance of Ordinary Accounts, Trust Accounts Account Holdings		Initial Securities Lending Shares Shares Lending for Securities Lending and Borrowing Business and Not Yet Returned		Ending Ordinary Account, Credit Credit Account Holdings		End-of-period securities lent through securities lending and not yet returned	
	Quantity Total	Ratio (%)	Quantity Total	Proportion (%)	Quantity Total	Proportion (%)	Quantity Total	Proportion (%)
Agricultural Bank of China Limited — CSI 500 Exchange-Traded Open-Ended Index Securities Investment Fund	8,085,517	0.38	1,486,000	0.11	12,768,417	0.98	-	-

Changes in the Top 10 Shareholders and Top 10 Unrestricted Circulating Shareholders Due to Securities Lending/Repayment

□ Applicable √ Not Applicable

Shareholding quantities and restrictions of the top ten shareholders with restricted shares

□ Applicable √ Not Applicable

(3) Strategic investors or general legal entities becoming top 10 shareholders through new share allotment

□ Applicable √ Not applicable

IV. Controlling Shareholders and Actual Controllers (1) Controlling Shareholders

1. Legal Entity

√ Applicable □ Not Applicable

Name	Wolong Holding Group Co., Ltd.
Head of the Entity or Legal Representative	Chen Yanni
Date of Establishment	September 25, 1984
Primary Business Operations	Principal Business Activities Motor manufacturing; high-tech industry investment in motors and control systems, power transmission and transformation, electric vehicles, power supply products, mechatronics, and industrial automation products; real estate development; industrial investments in commerce, hotels, etc.; foreign investment; investment management; sales of electromechanical products and their raw materials; import and export operations
Equity Interests in Other Domestic and Foreign Listed Companies Controlled or Participated in During the Reporting Period	Equity Holdings in Other Domestic and Overseas Listed Companies In 2007, Wolong Real Estate completed a reverse takeover listing on the Shanghai Stock Exchange, with stock code 600173. Wolong Holdings exercises indirect control through Wolong Real Estate.
Other Explanatory Information	Chen Yanni holds 38.73% of Wolong Holdings

2. Natural Person

□ Applicable √ Not Applicable

3. Special Statement Regarding the Absence of Controlling Shareholders

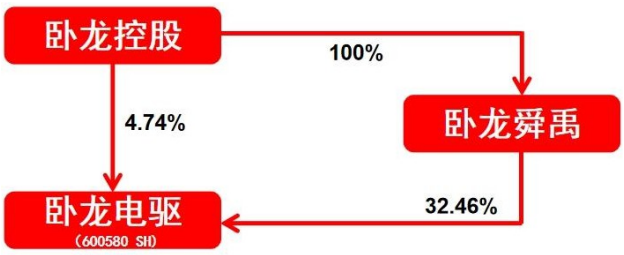
□ Applicable √ Not applicable

4. Explanation of Changes in Controlling Shareholders During the Reporting Period

☐Applicable √ Not applicable

5. Diagram of Property Rights and Control Relationships Between the Company and Its Controlling Shareholder

√ Applicable ☐ Not applicable



(II) Actual Controlling Party Information 1.

Legal Entity

☐ Applicable √ Not applicable

2. Natural Person

√ Applicable ☐ Not Applicable

Name	Chen Jiancheng
Nationality	China
☐Yes ☐No or regional residency	Yes
Primary Occupation and Position	Over the past five years, served as Chairman of Wolong Holding Group Co., Ltd., Chairman of Zhejiang Wolong Real Estate Investment Co., Ltd., Chairman of the Supervisory Board of ATB Drive Co., Ltd., Chairman of Wolong Electric (Jinan) Motor Co., Ltd., Chairman of Zhejiang Wolong Shunyu Investment Co., Ltd.
Listed Companies Controlled Domestically and Abroad in the Past 10 Years	In 2002, Wolong Electric Drive, controlled by Chen Jiancheng, was listed on the Shanghai Stock Exchange with stock code 600580; in 2007, Wolong Real Estate, controlled by him, was listed on the Shanghai Stock Exchange through a reverse takeover, stock code 600173; in 2011, he gained control of ATB Drive AG and Brook Crompton through mergers and acquisitions. ATB Drive AG was listed on the Vienna Stock Exchange in Austria (the company was delisted in October 2015 delisted in October 2015), and Brook Crompton, a Singapore-listed company.

3. Special Statement Regarding the Absence of an Actual Controlling Shareholder

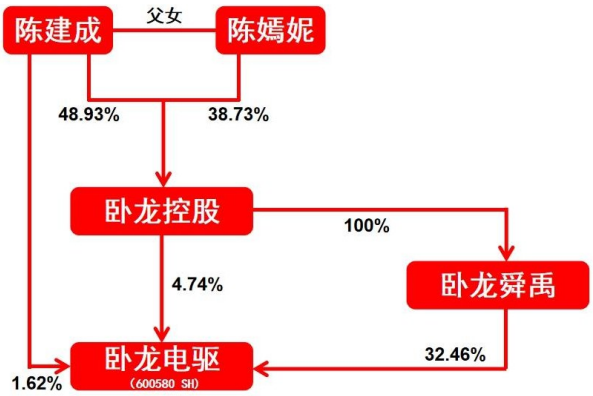
☐ Applicable √ Not applicable

4. Explanation of Changes in Company Control During the Reporting Period

☐ Applicable √ Applicable

5. Diagram of Property Rights and Control Relationships Between the Company and Its Actual Controlling Party

√ Applicable ☐ Not applicable



6. Whether the actual controller controls the company through trusts or other asset management methods

☐ Applicable √ Not applicable

(3) Other Information Regarding Controlling Shareholders and Actual Controllers o f

☐Applicable √ Not applicable

V . Cumulative Pledge Ratio of Shares Held by Controlling Shareholder or Largest Shareholder and Their Concerted Parties Exceeding 80% of Total Shares Held

☐ Applicable √ Not applicable

VI. Other Legal Shareholders Holding 10% or More of the Shares

☐Applicable √Not applicable

VII. Explanation of Share Reduction Restrictions

☐ Applicable √ Not applicable

VIII. Specific implementation of share repurchases during the reporting period

√ Applicable ☐ Not Applicable

Unit: RMB Currency: Renminbi

Name of Share Repurchase Plan	Repurchase of Company Shares through Centralized Auction Trading
Date of Disclosure of Share Repurchase Plan	January 25, 2024
Proposed Number of Shares to be Repurchased and Percentage of Total Issued Shares (%)	Proposed repurchase quantity range: 2,955,083 shares - 5,910,165 shares Percentage Range: 0.23%–0.45%
Proposed Repurchase Amount	RMB 50 million (inclusive) - RMB 100 million (inclusive)
Proposed repurchase period	Within 12 months starting January 24, 2024
Purpose of Repurchase	For equity incentive plan
Number of Shares Repurchased	5,148,200
The proportion of repurchased shares relative to the total shares subject to the equity incentive plan of the shares subject to the equity incentive plan (%) (if applicable)	Not applicable
Progress of the Company's Reduction of Repurchased Shares through Centralized Auction Trading	At the 8th Meeting of the 9th Board of Directors and the 2024 Second Extraordinary General Meeting of Shareholders, the Company reviewed and approved the "Proposal on Changing the Purpose of Partial Repurchased Shares and Canceling Partial Repurchased Shares." The Company agreed that for 5,668,500 shares repurchased under the 2021 The purpose of 5,668,500 shares repurchased in 2021 shall be changed from the original repurchase plan

	''for use in equity incentive plans'' to ''for cancellation and reduction of registered capital''. The cancellation of the aforementioned shares was completed on November 5, 2024.

Section VIII Preferred Shares

☐ Applicable √ Not Applicable

Section IX Bond-Related Information

I. Corporate Bonds (including Enterprise Bonds) and Non-Financial Enterprise Debt Financing Instruments

☐ Applicable √ Not Applicable

II. Convertible Corporate Bonds

☐ Applicable √ Not Applicable

Section 10 Financial Reports

I. Audit Report

√ Applicable □ Not Applicable

To All Shareholders of Wolong Electric Drive Group Co., Ltd.:

I. Audit Opinion

We have audited the financial statements of Wolong Electric Drive Group Co., Ltd. (hereinafter referred to as "Wolong Electric Drive"), which comprise the consolidated and parent company balance sheets as of December 31, 2024, the consolidated and parent company income statements, consolidated and parent company cash flow statements, consolidated and parent company statements of changes in equity for the year ended December 31, 2024, and re

December 31, 2024, the consolidated and parent company income statements for the year ended December 31, 2024, the consolidated and parent company cash flow statements, the consolidated and parent company statements of changes in equity, and the related notes to the financial statements.

In our opinion, the accompanying financial statements have been prepared in all material respects in accordance with the Enterprise Accounting Standards and fairly present the consolidated and parent company financial position of Wolong Electric Drive as of December 31, 2024, and the consolidated and parent company results of operations and cash flows for the year ended December 31, 2024.

II. Basis for the Audit Opinion

We conducted our audit in accordance with Chinese Auditing Standards. Our responsibilities under these standards are further described in the section "Responsibilities of the Auditor for the Audit of Financial Statements". In accordance with the Chinese Code of Ethics for Certified Public Accountants, we are independent of Wolong Electric Drive and have fulfilled our other ethical responsibilities. We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our audit opinion.

III. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements of the current period. These matters are addressed in the context of our audit of the financial statements as a whole and the formation of our audit opinion, and we do not express a separate opinion on these matters.

1、Revenue Recognition Matters	
Key Audit Matters	**Audit Approach**
In 2024, Wolong Electric Drive's operating revenue reached RMB 16,247.04 million yuan, with product sales constituting a significant portion. Revenue is recognized when control over the goods is transferred to the customer. As revenue is one of Wolong Electric Drive's key performance indicators, there exists the risk that management may manipulate revenue recognition to achieve specific targets or expectations.	1. Understand and evaluate the design and operating effectiveness of key internal controls related to revenue recognition established by management; 2. Examine a sample of sales contracts to identify clauses related to the transfer of control over products and evaluate whether revenue recognition policies comply with the requirements of the Enterprise Accounting Standards; 3. Perform analysis of revenue and gross profit by product type to determine whether there are any abnormal fluctuations in revenue amounts for the current period;

Given the inherent risks at this point in time, we have identified Wolong Electric Drive's revenue recognition as a key audit matter.	4. For revenue transactions recorded during the current year, select samples to reconcile invoices, sales contracts, goods issue slips, and delivery receipts (or customs declarations, acceptance certificates, settlement statements), and evaluate whether related revenue recognition complies with the company's revenue recognition accounting policies; 5. For export revenue, obtain customs export data statistics and reconcile them with the company's book records; 6. Confirm the validity of current-period revenue in conjunction with the accounts receivable confirmation process; 7. For revenue transactions recorded around the balance sheet date, select samples and verify against goods issue slips and other supporting documentation to evaluate whether revenue is recorded in the appropriate accounting period; 8. Review the work of component auditors for certain overseas subsidiaries to confirm revenue recognition. subsidiaries.

2. Goodwill Matters

Key Audit Matters	Audit Responses
As of December 31, 2024, the company's goodwill The total balance of goodwill at the end of the period was RMB 1,459,364,700. Wolong Electric Drive conducts an impairment test on goodwill at the end of each year, which involves multiple indicators requiring management judgment and estimates, primarily including future revenue growth. The rate of growth, future operating profit margins, and applicable discount rates. Due to the inherent complexity of goodwill impairment testing, this matter involves management's use of significant accounting estimates and judgments. Considering the overall significance of goodwill to the financial statements, we have identified goodwill impairment as a key audit matter.	1. Understand and evaluate the design and operating effectiveness of management's internal controls related to goodwill impairment; 2. Review management's identification of asset groups and allocation methods for goodwill; 3. Evaluate the reasonableness of key assumptions and significant judgments made by management in preparing future cash flow projections for asset groups containing goodwill, as well as the appropriateness of key parameters such as projected income growth rates and gross profit margins used in calculating the present value of future cash flows; 4. Assess the independence, objectivity, experience, and qualifications of the external valuation firm engaged by management; 5. Verify the accuracy of the calculation process for the net present value of future cash flows; 6. Evaluate the appropriateness of management's December 31, 2024 assessment of goodwill and its impairment results, as well as the disclosure in the financial statements. and financial statement disclosures as of December 31, 2024.

IV. Other Information

The management of Wolong Electric Drive (hereinafter referred to as "Management") is responsible for the Other Information. The Other Information includes the information covered in Wolong Electric Drive's 2024 Annual Report, but excludes the financial statements and our audit report.

Our audit opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion on the other information.

In conjunction with our audit of the financial statements, our responsibility is to read the other

information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Based on the work we have performed, if we determine that the other information contains a material misstatement, we are required to report that fact. In this regard, we have nothing to report.

V. Management's and Governance's Responsibilities for the Financial Statements

Management is responsible for preparing the financial statements in accordance with the Enterprise Accounting Standards to achieve a fair presentation, and for designing, implementing, and maintaining internal controls necessary to prevent or detect material misstatements in the financial statements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing Wolong Electric Drive's ability to continue as a going concern, disclosing matters related to going concern (if applicable), and using the going concern assumption unless management intends to liquidate Wolong Electric Drive, cease operations, or has no realistic alternative.

The governance body is responsible for overseeing

the financial reporting process of Wolong Electric

Drive. VI. Auditor's Responsibilities for the Audit of

the Financial Statements

Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes an audit opinion.Reasonable assurance is a high level of assurance, but it does not guarantee that an audit conducted in accordance with auditing standards will always detect a material misstatement when it exists. A misstatement may arise from fraud or error. A misstatement is generally considered material if, individually or in the aggregate, it could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

In conducting the audit in accordance with auditing standards, we exercise professional judgment and maintain professional skepticism. We also perform the following:

⑴ Identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain sufficient appropriate audit evidence to provide a basis for the audit opinion. Because fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the overriding of internal controls, the risk of failing to detect a material misstatement due to fraud is higher than the risk of failing to detect a material misstatement due to error.

⑵ Understand internal control relevant to the audit to design appropriate audit procedures.

⑶ Evaluate the appropriateness of management's selection of accounting policies and the reasonableness of accounting estimates and related disclosures.

⑷ Form a conclusion on the appropriateness of management's use of the going concern assumption. Concurrently, based on the audit evidence obtained, conclude whether there is material uncertainty regarding

matters or conditions that may cast significant doubt on Wolong Electric Drive Company's ability to continue as a going concern.

If we conclude that a material uncertainty exists, audit standards require us to draw the users' attention to the related disclosures in the financial statements in our audit report. If the disclosures are inadequate, we are required to issue a non-unqualified opinion. Our conclusions are based on information available as of the date of the audit report. However, future events or circumstances may cause Wolong Electric Drive Co., Ltd. to cease operations.

⑸ Evaluate the overall presentation, structure, and content of the financial statements, and assess whether the financial statements fairly present the transactions and events

.

⑹ We obtained sufficient appropriate audit evidence regarding the financial information of entities or business activities within Wolong Electric Drive to express an audit opinion on the consolidated financial statements. We are responsible for directing, supervising, and performing the group audit and bear overall responsibility for the audit opinion.

We communicate with governance regarding planned audit scope, timing, and significant audit findings, including communicating internal control deficiencies identified during the audit that warrant attention.

We also provide management with a statement regarding compliance with ethical requirements related to independence and communicate with management all relationships and other matters that could reasonably be thought to influence our independence, along with related safeguards (if applicable).

From the matters communicated with management, we determine which are most significant to the audit of the current period's financial statements and thus constitute key audit matters. We describe these matters in our audit report unless laws and regulations prohibit their public disclosure, or in rare circumstances where we determine that communicating a matter in the audit report would reasonably be expected to cause more harm than benefit to the public interest.

ShineWing Certified Public Accountants LLP

China Certified Public Accountant:

(Project Partner)

Certified Public

Accountant in China:

China Beijing

April 24, 2025

II. Financial Statements

Consolidated
Balance Sheet

December 31, 2024

Prepared by: Wolong Electric Drive Group Co., Ltd.

Unit: Yuan Currency: Renminbi

Item	Notes	December 31, 2024	December 31, 2023
Current Assets:			
Cash and Cash Equivalents		3,187,218,328.25	2,647,203,901.62
Settlement Reserves			
Funds Placed			
Trading Financial Assets		181,971,209.41	14,403,691.22
Derivative Financial Assets			
Notes receivable		231,027,412.55	166,365,051.10
Accounts receivable		5,468,485,810.63	4,861,275,657.47
Accounts Receivable Financing		613,521,773.72	995,220,960.79
Prepayments		356,293,227.01	388,540,465.27
Premiums receivable			
Reinsurance receivables			
Reinsurance contract reserves receivable			
Other receivables		188,648,384.58	315,334,225.39
Of which: Interest receivable			
Dividends receivable			
Financial assets under resale agreements			
Inventories		3,616,961,768.33	3,405,044,377.54
Of which: Data resources			
Contract Assets		183,099,857.14	82,157,383.61
Assets Held for Sale			
Non-current assets due within one year			
Other current assets		331,140,232.85	204,703,497.25
Total current assets		14,358,368,004.47	13,080,249,211.26
Non-current assets:			
Loans and Advances			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments		454,370,907.22	621,865,086.58
Other Equity Instruments Investments			
Other Non-Current Financial Assets		927,087,774.44	844,039,096.96
Investment property			
Fixed Assets		5,558,029,598.76	4,970,544,435.15
Construction in Progress		516,776,904.43	723,273,722.28
Productive biological assets			
Oil and gas assets			
Right-of-use assets		119,360,558.61	143,140,460.03
Intangible Assets		2,139,896,381.70	1,986,839,501.34
Of which: Data resources			
Development Expenditures		130,493,650.65	206,227,029.78

Project	Notes	December 31, 2024	December 31, 2023
Of which: Data resources			
Goodwill		1,459,364,738.25	1,459,109,983.06
Deferred Expenses		37,001,722.90	38,186,229.11
Deferred income tax assets		439,785,974.05	404,092,707.19
Other non-current assets		176,767,071.99	186,918,039.17
Total Non-Current Assets		11,958,935,283.00	11,584,236,290.65
Total Assets		26,317,303,287.47	24,664,485,501.91
Current Liabilities:			
Short-term borrowings		2,315,957,961.90	1,197,655,390.71
Borrowings from the Central Bank			
Repurchase agreements			
Financial liabilities held for trading		189,147.00	221,257.41
Derivative financial liabilities			
Notes payable		166,247,281.48	460,795,447.84
Accounts payable		5,307,454,961.11	4,730,659,202.94
Advance receipts		350,729.25	392,000.52
Contract liabilities		338,949,522.13	359,645,581.48
Proceeds from repurchase agreements of financial assets			
Deposits and interbank placements			
Securities brokerage agency			
Securities underwriting agency			
Employee compensation payable		294,093,996.63	288,876,334.79
Taxes payable		171,062,204.78	188,683,575.69
Other Payables		599,252,853.15	911,857,016.85
Of which: Interest payable			
Dividends Payable			
Fees and commissions payable			
Reinsurance payables			
Liabilities held for sale			
Non-current liabilities due within one year		2,180,145,537.02	1,285,004,984.13
Other current liabilities		366,372,843.06	128,510,948.70
Total current liabilities		11,740,077,037.51	9,552,301,741.06
Non-current liabilities:			
Insurance Contract Reserves			
Long-term borrowings		2,313,587,404.79	3,481,442,900.88
Bonds payable			
Of which: Preferred stock			
Perpetual Bonds			
Lease liabilities		95,139,836.62	132,959,222.56
Long-term payables		17,775,143.14	3,497,829.35
Long-term employee compensation payable		111,341,813.59	126,306,393.49
Contingent Liabilities		13,293,269.02	18,352,304.02
Deferred Revenue		181,280,685.73	149,191,775.34
Deferred income tax liabilities		373,081,850.36	390,871,434.17
Other non-current liabilities		72,201,911.97	107,153,351.38
Total Non-Current Liabilities		3,177,701,915.22	4,409,775,211.19

Total Liabilities		14,917,778,952.73	13,962,076,952.25
Item	Notes	December 31, 2024	December 31, 2023
Shareholders' Equity:			
Paid-in Capital (or Share Capital)		1,302,622,626.00	1,311,240,126.00
Other Equity Instruments			
Of which: Preferred stock			
Perpetual Bonds			
Capital surplus		1,898,510,495.98	1,968,341,714.25
Less: Treasury stock		60,013,402.35	87,161,680.00
Other Comprehensive Income		-222,609,342.96	-457,015,120.46
Special Reserve		3,920,635.48	1,817,818.49
Retained Earnings		593,935,376.98	549,021,620.89
General Risk Reserve			
Retained Earnings		6,518,427,217.29	6,121,885,794.15
Equity attributable to owners of the parent company (or shareholders' equity) Total		10,034,793,606.42	9,408,130,273.32
Minority interests		1,364,730,728.32	1,294,278,276.34
Total Shareholders' Equity		11,399,524,334.74	10,702,408,549.66
Total Liabilities and Shareholders' Equity Total		26,317,303,287.47	24,664,485,501.91

Company Representative: Pang Xinyuan Chief Accounting Officer: Yang Zijang

Head of Accounting Department: Ouyang Lijuan

Parent Company

Balance Sheet

December 31, 2024

Prepared by: Wolong Electric Drive Group Co., Ltd.

Unit: Yuan Currency: Renminbi

Item	Notes	December 31, 2024	December 31, 2023
Current Assets:			
Cash and Cash Equivalents		737,388,581.33	459,478,254.07
Trading Financial Assets		167,020,469.78	14,176,526.10
Derivative financial assets			
Notes receivable		58,765,538.73	77,109,707.85
Accounts receivable		1,579,528,103.63	1,190,689,321.14
Accounts Receivable Financing		117,811,009.67	273,833,489.59
Prepayments		78,138,020.87	33,370,965.05
Other receivables		537,491,809.45	279,948,082.84
Of which: Interest receivable			
Dividends receivable			
Inventories		367,752,812.63	327,634,690.56
Including: Data resources			
Contract Assets		7,095,480.68	7,043,364.52
Assets Held for Sale			
Non-current assets due within one year			
Other current assets		72,399,044.42	73,775,025.15
Total current assets		3,723,390,871.19	2,737,059,426.87
Non-current assets:			
Debt investments			

Item	Notes	December 31, 2024	December 31, 2023
Other Debt Investments			
Long-term receivables		3,265,632,008.43	2,740,362,375.61
Long-term equity investments		6,918,568,291.39	6,933,214,514.75
Other equity instruments investments			
Other Non-Current Financial Assets		921,126,122.11	837,821,394.36
Investment property			
Fixed Assets		1,172,341,843.95	1,165,770,184.06
Construction in Progress		32,945,188.21	29,075,002.88
Productive biological assets			
Oil and gas assets			
Usufruct Assets		5,859,082.76	384,830.00
Intangible Assets		634,228,831.66	594,212,921.45
Of which: Data resources			
Development Expenditures		40,017,751.42	46,312,737.51
Of which: Data Resources			
Goodwill			
Deferred Expenses		23,448.78	66,394.95
Deferred income tax assets		125,537,879.79	109,643,098.24
Other non-current assets		198,679,187.97	196,899,347.79
Total Non-Current Assets		13,314,959,636.47	12,653,762,801.60
Total Assets		17,038,350,507.66	15,390,822,228.47
Current Liabilities:			
Short-term borrowings		1,402,558,225.00	828,713,200.00
Financial liabilities held for trading			
Derivative financial liabilities			
Notes Payable		602,627,750.80	308,333,857.47
Accounts Payable		1,677,193,857.77	1,379,965,990.85
Advance Receipts			
Contract liabilities		68,371,594.60	28,782,832.71
Employee compensation payable		43,953,703.42	43,224,910.43
Taxes payable		11,351,058.48	2,924,798.84
Other Payables		2,616,038,170.39	2,336,284,502.57
Of which: Interest payable			
Dividends Payable			
Liabilities held for sale			
Non-current liabilities due within one year		1,072,318,093.68	1,020,374,825.06
Other current liabilities		50,917,475.35	56,602,658.60
Total current liabilities		7,545,329,929.49	6,005,207,576.53
Non-current liabilities:			
Long-term borrowings		1,809,300,000.00	1,976,500,000.00
Bonds payable			
Of which: Preferred stock			
Perpetual Bonds			
Lease liabilities			
Long-term payables			
Long-term employee benefits payable			
Contingent liabilities			

Project	Notes	December 31, 2024	December 31, 2023
Deferred Revenue		19,891,071.01	25,945,475.54
Deferred income tax liabilities		137,834,684.25	114,936,887.04
Other non-current liabilities			
Total Non-current Liabilities		1,967,025,755.26	2,117,382,362.58
Total liabilities		9,512,355,684.75	8,122,589,939.11
Shareholders' Equity:			
Paid-in Capital (or Share Capital)		1,302,622,626.00	1,311,240,126.00
Other Equity Instruments			
Of which: Preferred stock			
Perpetual Bonds			
Capital surplus		2,584,190,971.18	2,662,553,642.73
Less: Treasury stock		60,013,402.35	87,161,680.00
Other Comprehensive Income		-6,568.23	-219,833,432.03
Special reserves			
Retained Earnings		583,752,492.79	538,838,736.70
Retained Earnings		3,115,448,703.52	3,062,594,895.96
Total Shareholders' Equity		7,525,994,822.91	7,268,232,289.36
Total Liabilities and Shareholders' Equity Total		17,038,350,507.66	15,390,822,228.47

Company Representative: Pang Xinyuan Person in Charge of Accounting: Yang Zijang Head of Accounting Department: Ouyang Lijuan

Consolidated

Income Statement

January–December

2024

Unit: Yuan Currency: Renminbi

Item	Notes	2024	2023
I. Total Operating Revenue		16,247,040,360.90	15,566,826,986.21
Of which: Operating Revenue		16,247,040,360.90	15,566,826,986.21
Interest Income			
Premiums earned			
Fees and commissions			
II. Total Operating Expenses		15,349,221,971.45	14,586,530,970.25
Of which: Operating Costs		12,339,815,529.94	11,704,569,775.18
Interest Expense			
Fees and commissions paid			
Surrender Value			
Net claims paid			
Net Provision for Insurance Liabilities			
Policy dividends paid			
Reinsurance Expenses			
Taxes and Surcharges		93,768,003.46	94,296,506.71
Sales Expenses		780,321,086.82	704,072,663.24
Administrative Expenses		1,294,287,070.31	1,311,945,118.04
Research and Development Expenses		642,191,222.45	557,407,247.02
Financial expenses		198,839,058.47	214,239,660.06
Of which: Interest expense		248,844,853.55	251,898,557.60

Project	Notes	2024 Annual	2023
Interest Income		49,416,932.26	25,350,981.59
Plus: Other Income		149,394,547.32	243,052,589.86
Investment Income (Losses are indicated with a "–")		12,193,826.40	-199,751,295.75
Of which: Investment income from associates and joint ventures		2,056,335.98	-24,203,354.14
Profit			
Gain on termination of financial assets measured at amortized cost		-1,271,269.06	-19,400,460.42
Recognized gains			
Foreign exchange gains (losses indicated with "—")			
Net exposure hedge gains (losses shown with "-" sign)			
Fair value change gain (losses indicated with "—")		122,807,743.68	70,011,520.88
)			
Credit impairment loss (losses indicated with "-")		-83,040,246.45	-90,732,032.88
Asset impairment loss (losses are indicated with a "-" sign)		-107,872,888.25	-253,980,673.46
Gain on disposal of assets (losses are indicated with a "-" sign)		14,484,420.25	20,878,349.01
III. Operating Profit (Losses are indicated with a "–")		1,005,785,792.40	769,774,473.62
Plus: Non-operating Income		31,295,849.05	38,982,342.99
Less: Non-operating Expenses		46,547,132.51	41,364,138.38
IV. Total Profit (Total Loss to be entered with a "-" sign)		990,534,508.94	767,392,678.23
Less: Income tax expense		158,279,214.76	214,515,142.39
V. Net Profit (Net Loss to be entered with a "-" sign)		832,255,294.18	552,877,535.84
(a) By Going Concern Basis			
1. Net profit from continuing operations (net loss indicated with "-")		832,255,294.18	552,877,535.84
2. Net profit from discontinued operations (net loss indicated with a "-" sign)			
(2) By Ownership Classification			
1. Net profit attributable to shareholders of the parent company (net loss indicated by entered with a "-" sign)		792,825,176.52	529,851,084.57
2. Minority interest in profit or loss (net loss indicated with a "-" sign)		39,430,117.66	23,026,451.27
VI. Net comprehensive income after tax		13,722,980.40	100,303,463.44
(1) Net comprehensive income attributable to owners of the parent company		12,872,472.81	83,129,744.81
Net Amount After Tax			
1. Other comprehensive income not reclassifiable to profit or loss		5,393,699.29	7,670,382.72
(1) Remeasurement of defined benefit plan changes		5,393,699.29	7,670,382.72
(2) Other comprehensive income not available for reclassification to profit or loss under the equity method			

(3) Fair value changes on other equity instruments			
(4) Fair value changes in own credit risk			
2. Other comprehensive income reclassified to profit or loss		7,478,773.52	75,459,362.09
(1) Other comprehensive income attributable to equity in investees under the equity method		-1,706,440.89	316,990.79
(2) Fair value changes on other debt investments			
(3) Fair value changes on financial assets reclassified to other comprehensive income Amount			
(4) Credit impairment allowance for other debt investments			
(5) Cash flow hedge reserve			
(6) Foreign currency translation differences		9,185,214.41	75,142,371.30
(7) Other			
(II) Tax on Other Comprehensive Income Attributable to Minority Interests Net Amount		850,507.59	17,173,718.63
VII. Total Comprehensive Income		845,978,274.58	653,180,999.28
(1) Total Comprehensive Income Attributable to Owners of the Parent Company		805,697,649.33	612,980,829.38
Item	Notes	2024	2023
(2) Total Comprehensive Income Attributable to Minority Interests		40,280,625.25	40,200,169.90
VIII. Earnings Per Share:			
(1) Basic earnings per share (RMB/share)		0.61	0.41
(b) Diluted Earnings Per Share (CNY/share)		0.61	0.41

For business combinations under common control occurring during the current period, the net profit realized by the acquired entity prior to the merger was: ¥0. The net profit realized by the acquired entity in the previous period was: ¥0.

Company Representative: Pang Xinyuan Person in Charge of Accounting: Yang Zijang Head of Accounting Department: Ouyang Lijuan

Parent Company

Income Statement

January–December

2024

Unit: RMB Currency: Renminbi

Item	Notes	2024	2023
I. Operating Revenue		3,922,981,400.32	3,477,894,848.54
Less: Cost of Sales		3,225,017,453.93	2,915,449,784.14
Taxes and Surcharges		19,650,714.91	13,946,766.84
Selling Expenses		66,168,224.61	75,477,233.16
Administrative Expenses		243,553,385.79	229,925,926.67
Research and Development Expenses		191,396,930.47	178,501,574.40
Financial expenses		111,965,724.06	6,265,347.64
Of which: Interest expense		137,148,711.77	166,072,594.25
Interest income		52,922,436.35	50,210,346.63
Plus: Other Income		56,894,385.54	44,105,965.55
Investment Income (Losses are indicated with a "–")		313,431,752.07	105,295,247.82
Of which: Investment income from associates and joint ventures Profit		2,056,335.98	-24,203,354.14
Gain on termination of financial assets measured at amortized cost			-

Item	Note	2024	2023
2. Other Comprehensive Income Not Reversible to Profit or Loss Under the Equity Method			
3. Fair value changes on other equity instruments			
4. Fair value changes attributable to the entity's own credit risk			
(2) Other Comprehensive Income Reclassified to Profit or Loss		-1,706,440.89	316,990.79
1. Other comprehensive income attributable to equity method investees		-1,706,440.89	316,990.79
2. Fair value changes on other debt investments			
3. Fair value changes on financial assets reclassified to other comprehensive income Amount			
4. Credit impairment allowance for other debt investments			
5. Cash flow hedge reserve			
6. Foreign currency translation differences			
7. Other			
VI. Total Comprehensive Income		447,431,120.05	94,266,458.47
VII. Earnings Per Share:			
(a) Basic Earnings Per Share (RMB/share)			
(b) Diluted Earnings Per Share (RMB/share)			

Company Representative: Pang Xinyuan Person in Charge of Accounting: Yang Zijang

Head of Accounting Department: Ouyang Lijuan

Consolidated Cash Flow Statement

January–December 2024

Unit: Yuan Currency: Renminbi

Item	Notes	2024	2023
I. Cash Flows from Operating Activities:			
Cash received from sales of goods and services		13,463,248,263.70	13,170,062,494.38
Net increase in customer deposits and interbank placements			
Net increase in borrowings from the central bank			
Net increase in funds borrowed from other financial institutions			
Cash received from premiums for direct insurance contracts			
Net cash received from reinsurance operations			
Net increase in policyholder deposits and investment funds			
Cash received from interest, fees, and commissions			
Net increase in borrowed funds			
Net increase in repurchase agreement funds			
Net cash received from securities brokerage			
Tax and fee refunds received		160,182,851.16	173,741,184.76
Other cash received from operating activities		394,265,658.01	611,722,177.61
Subtotal of cash inflows from operating activities		14,017,696,772.87	13,955,525,856.75

Item	Notes	2024	2023
Taxes and Fees Paid		694,435,610.65	599,656,911.80
Cash paid for other operating activities		939,134,055.73	1,128,397,848.65
Subtotal of cash outflows from operating activities		12,480,047,500.98	12,321,678,997.95
Net Cash Flow from Operating Activities		1,537,649,271.89	1,633,846,858.80
II. Cash Flows from Investing Activities:			
Cash received from recovery of investments		1,500,000.00	352,937,096.90
Cash received from investment income		7,591,434.69	97,151,298.82
Disposal of fixed assets, intangible assets, and other long-term assets Assets		28,700,495.01	261,130,699.89
Net cash received from disposal of subsidiaries and other business units 24,929.99		24,929.99	
Cash received from other investing activities			10,790,000.00
Subtotal of cash inflows from investing activities		37,816,859.69	722,009,095.61
Cash paid for acquisition of property, plant and equipment, intangible assets, and other long-term assets Assets		1,203,846,894.71	1,298,971,820.02
Cash paid for investments		17,198,641.31	100,840,419.38
Net increase in pledged loans			
Cash paid to acquire subsidiaries and other business units Net cash paid for acquisition of subsidiaries and other business units		4,551,500.94	40,485,139.69
Cash paid for other investing activities		517,099,735.44	37,747.04
Subtotal of cash outflows from investing activities		1,742,696,772.40	1,440,335,126.13
Net Cash Flow from Investing Activities		-1,704,879,912.71	-718,326,030.52
III. Cash Flows from Financing Activities:			
Cash received from investment activities		20,496,463.40	170,825,446.15
Of which: Cash received from minority shareholders' investment in subsidiaries from minority shareholders		20,496,463.40	170,825,446.15
Cash received from borrowings		4,136,834,597.45	4,060,155,452.61
Cash received from other financing activities		20,497,505.14	
Subtotal of cash inflows from financing activities		4,177,828,565.99	4,230,980,898.76
Cash paid to repay debt		3,283,178,847.60	4,187,242,396.63
Cash paid for dividends, profits, or interest payments 384,544,798.65		384,544,798.65	470,997,387.30
Of which: Dividends paid by subsidiaries to minority shareholders or profits		6,735,936.05	23,306,056.83
Cash paid for other financing activities		117,579,288.20	112,977,772.39
Subtotal of cash outflows from financing activities		3,785,302,934.45	4,771,217,556.32
Net Cash Flow from Financing Activities		392,525,631.54	-540,236,657.56

IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents -7,662,592.37		-7,662,592.37	72,877,892.70
V. Net Increase in Cash and Cash Equivalents		217,632,398.35	448,162,063.42
Plus: Cash and cash equivalents at beginning of period		2,458,333,351.33	2,010,171,287.91
VI. Cash and Cash Equivalents at End of Period		2,675,965,749.68	2,458,333,351.33

Company Representative: Pang Xinyuan Chief Accounting Officer: Yang Zijang

Head of Accounting Department: Ouyang Lijuan

Parent Company Cash Flow Statement January–December 2024

Unit: Yuan Currency: Renminbi

Item	Notes	2024	2023
I. Cash Flows from Operating Activities:			
Cash received from sales of goods and services		2,861,327,989.01	2,349,794,418.50
Tax and fee refunds received		48,121,305.13	74,514,384.97
Cash received from other operating activities		866,592,384.18	530,092,927.94
Subtotal of cash inflows from operating activities		3,776,041,678.32	2,954,401,731.41
Cash paid for purchases of goods and services		2,355,813,554.64	1,894,543,412.73
Cash paid to employees and for employee benefits		360,339,013.46	314,588,223.40
Taxes and fees paid		37,482,868.05	45,674,549.63
Cash paid for other operating activities		557,822,246.28	436,210,311.88
Subtotal of cash outflows from operating activities		3,311,457,682.43	2,691,016,497.64
Net Cash Flow from Operating Activities		464,583,995.89	263,385,233.77
II. Cash Flows from Investing Activities:			
Cash received from recovery of investments		13,500,000.00	352,847,096.90
Cash received from investment income		307,591,434.69	397,151,298.82
Disposal of fixed assets, intangible assets, and other long-term assets assets			6,112,709.61
Net cash received from disposal of subsidiaries and other business units Net cash received from disposal of subsidiaries and other operating units			
Cash received from other activities related to investing activities			
Subtotal of cash inflows from investing activities		321,091,434.69	756,111,105.33
Cash paid for acquisition of property, plant and equipment, intangible assets, and other long-term assets Assets		237,471,548.30	352,506,082.43
Cash paid for investments		168,097,956.00	386,898,342.70
Cash paid for acquisition of subsidiaries and other business units Net cash paid for acquisition of subsidiaries and other business units			
Cash paid for other investing activities		517,099,735.44	
Subtotal of cash outflows from investing activities		922,669,239.74	739,404,425.13
Net cash flow from investing activities		-601,577,805.05	16,706,680.20
III. Cash Flows from Financing Activities:			
Cash received from investment activities			
Cash received from borrowings		2,891,500,000.00	3,554,000,000.00
Cash received from other financing activities			
Subtotal of cash inflows from financing activities		2,891,500,000.00	3,554,000,000.00
Cash paid to repay debt		2,505,700,000.00	3,371,156,500.00
Cash paid for dividends, profits, or interest payments 262,831,765.12		262,831,765.12	333,244,900.56
Cash paid for other financing activities		88,889,417.39	27,300,015.54
Subtotal of cash outflows from financing		2,857,421,182.51	3,731,701,416.10

Consolidated Statement of Changes in Equity January–December 2024

Unit: RMB Currency: Renminbi

Item	2024														
	Equity Attributable to Owners of the Parent Company													Minority Interests	Total Shareholders' Equity
	Paid-in Capital (or Share Capital)	Other Equity Items			Capital Surplus	Less: Treasury stock	Other Comprehensive Income	Special reserve	Retained Earnings	General Risk Reserve	Retained Earnings	Other	Subtotal		
		Other equity items													
		Preferred Stock	Perpetual Bonds	Other											
I. Balance at end of previous year Balance	1,311,240,126.00				1,968,341,714.25	87,161,680.00	-457,015,120.46	1,817,818.49	549,021,620.89		6,121,885,794.15		9,408,130,273.32	1,294,278,276.34	10,702,408,549.66
Add: Changes in accounting policies Change															
Prior Period Errors Correction															
Other Other							221,533,304.69				-221,533,304.69				
II. Beginning Balance for the Current Year Balance	1,311,240,126.00				1,968,341,714.25	87,161,680.00	-235,481,815.77	1,817,818.49	549,021,620.89		5,900,352,489.46		9,408,130,273.32	1,294,278,276.34	10,702,408,549.66
III. Changes in Amounts for the Current Period (Decreases indicated with "-")	-8,617,500.00				-69,831,218.27	-27,148,277.65	12,872,472.81	2,102,816.99	44,913,756.09		618,074,727.83		626,663,333.10	70,452,451.98	697,115,785.08
(1) Comprehensive Revenue							12,872,472.81				792,825,176.52		805,697,649.33	40,280,625.25	845,978,274.58

Project	2024														
	Equity Attributable to Owners of the Parent Company													Minority Interests	Total Shareholders' Equity
	Paid-in Capital (or Share Capital)	Other Equity Items			Capital Surplus	Less: Treasury stock	Other Comprehensive Income	Special reserve	Retained Earnings	General Risk Reserve	Retained Earnings	Other	Subtotal		
		Other equity items													
		Preferred Stock	Perpetual Bonds	Other											
1. Common equity contributed by owners Equity														-8,000,000.00	-8,000,000.00
2. Contributed by holders of other equity instruments Capital															
3. Share-based payment recognized in equity Amount														24,973.19	24,973.19
4. Other	-8,617,500.00				-78,544,180.00	-27,148,277.65							-60,013,402.35		-60,013,402.35
(3) Profit Distribution									44,913,756.09		-174,750,448.69		-129,836,692.60	-6,735,936.05	-136,572,628.65
1. Withdrawal of retained earnings from retained earnings									44,913,756.09		-44,913,756.09				

2. General risk reserve extraction Reserve															
3. Dividends to Owners (or Shareholders) -129,836,692.60											-129,836,692.60		-129,836,692.60	-6,735,936.05	-136,572,628.65
4. Other															
(4) Internal Transfer of Owner's Equity Transfer															
1. Capital															

Item	2024														
	Equity Attributable to Owners of the Parent Company													Minority Interests	Total Shareholders' Equity
	Paid-in Capital (or Share Capital)	Other equity instruments			Capital Surplus	Less: Treasury stock	Other Comprehensive Income	Special reserve	Retained Earnings	General Risk Reserve	Retained Earnings	Other	Subtotal		
		Other equity items													
		Preferred Stock	Perpetual Bonds	Other											
Capitalization of reserves (or shares) Capital)															

2. Capitalization of retained earnings (or share)														
3. Use of retained earnings to to offset losses														
4. Transfer of Changes in Defined Benefit Plans to Retained Earnings Retained earnings														
5. Retained earnings from reclassification of other comprehensive income Retained earnings														
6. Other														
(V) Special Reserves								2,102,816.99					2,102,816.99	2,823,963.06	4,926,780.05
1. Current Period Accrued								2,699,900.88					2,699,900.88	3,608,697.94	6,308,598.82
2. Current Period Usage								597,083.89					597,083.89	784,734.88	1,381,818.77
(VI) Other					8,712,961.73								8,712,961.73	42,058,826.53	50,771,788.26
IV. Current Period	1,302,622,626.00				1,898,510,495.98	60,013,402.35	-222,609,342.96	3,920,635.48	593,935,376.98		6,518,427,217.29		10,034,793,606.42	1,364,730,728.32	11,399,524,334.74

	2024		
	Equity Attributable to Owners of the Parent Company		

Project	Paid-in Capital (or Share Capital)	Other Equity Items			Capital Surplus	Less: Treasury stock	Other Comprehensive Income	Special reserves	Retained Earnings	General Risk Reserve	Retained Earnings	Other	Subtotal	Minority Interests	Total Shareholders' Equity
		Other equity items													
		Preferred Stock	Perpetual Bonds	Other											
Ending Balance Balance															

Item	2023														
	Equity Attributable to Owners of the Parent Company													Minority Interests	Total Shareholders' Equity
	Paid-in Capital (or Share Capital)	Other Equity Items			Capital Surplus	Less: Treasury stock	Other Comprehensive Income	Special reserve	Retained Earnings	General Risk Reserve	Retained Earnings	Other	Subtotal		
		Other equity items													
		Preferred Stock	Perpetual Debt	Other											
I. Balance at End of Previous Year	1,314,699,126.00				1,991,481,431.51	112,796,980.00	-540,144,865.27	145,756.77	539,626,674.12		5,797,284,300.25		8,990,295,443.38	1,151,260,033.01	10,141,555,476.39
Add: Changes in Accounting Policies															
Correction of prior period errors															
Other															
II. Opening Balance for the Current Year	1,314,699,126.00				1,991,481,431.51	112,796,980.00	-540,144,865.27	145,756.77	539,626,674.12		5,797,284,300.25		8,990,295,443.38	1,151,260,033.01	10,141,555,476.39
III. Changes in Amounts for the Current Period (Decreases indicated with "—"))	-3,459,000.00				-23,139,717.26	-25,635,300.00	83,129,744.81	1,672,061.72	9,394,946.77		324,601,493.90		417,834,829.94	143,018,243.33	560,853,073.27
(I) Total Comprehensive Income Amount							83,129,744.81				529,851,084.57		612,980,829.38	40,200,169.90	653,180,999.28
(II) Capital Contributions and Capital Reductions	-3,459,000.00				-35,825,240.33	-25,635,300.00							-13,648,940.33	150,755,026.81	137,106,086.48
1. Capital contributed by owners Common stock														150,780,000.00	150,780,000.00
2. Other equity instruments															

Contributed Capital by Holders															
3. Equity-settled share-based payments recognized in equity Amount					-14,110,190.33	-461,250.00							-13,648,940.33	-24,973.19	-13,673,913.52
4. Other	-3,459,000.00				-21,715,050.00	-25,174,050.00									
(III) Profit Distribution									9,394,946.77		-205,249,590.67		-195,854,643.90	-23,306,056.83	-219,160,700.73
1. Transfer to retained earnings									9,394,946.77		-9,394,946.77				
2. General Risk Reserve Reserve															
3. Distribution to Owners (or Shareholders) Shareholders)											-195,854,643.90		-195,854,643.90	-23,306,056.83	-219,160,700.73

Item	Equity Attributable to Owners of the Parent Company												Minority Interests	Total Shareholders' Equity
	Paid-in Capital (or Share Capital)	Other Equity Items			Capital Surplus	Less: Treasury stock	Other Comprehensive Income	Special reserve	Retained Earnings	General Risk Reserve	Retained Earnings	Other	Subtotal	
		Preferred Stock	Perpetual Debt	Other										
4. Other														
(IV) Shareholders' Equity Internal Transfer														
1. Capital Surplus Conversion to Capital (or Share Capital)														
2. Capitalization of Retained Earnings Capital (or Share Capital)														
3. Use of Retained Earnings to Offset Losses														
4. Transfer of changes in defined benefit plans to retained earnings Retained earnings														
5. Other Comprehensive Income Retained earnings														
6. Other														
(V) Special Reserves								1,672,061.72					1,672,061.72	2,331,010.75	4,003,072.47
1. Current Period Accrual								2,446,152.64					2,446,152.64	3,354,205.47	5,800,358.11
2. Current Period Usage								774,090.92					774,090.92	1,023,194.72	1,797,285.64
(VI) Other					12,685,523.07								12,685,523.07	-26,961,907.30	-14,276,384.23
IV. Balance at End of Current Period	1,311,240,126.00				1,968,341,714.25	87,161,680.00	-457,015,120.46	1,847,818.49	549,021,620.89		6,121,885,794.15		9,408,130,273.32	1,294,278,276.34	10,702,408,549.66

Company Representative: Pang Xinyuan Chief Accounting Officer: Yang Zijang Head of Accounting Department:

Ouyang Lijuan

Unit: Yuan Currency: Renminbi

Project	2024 Annual										
	Paid-in Capital (or Share Capital)	Other Equity Instruments			Capital Surplus	Less: Treasury shares	Other Comprehensive Income	Special reserve	Retained Earnings	Retained Earnings	Total Shareholders' Equity
		Preferred Stock	Perpetual debt	Other				Reserve			
I. Balance at End of Previous Year	1,311,240,126.00				2,662,553,642.73	87,161,680.00	-219,833,432.03		538,838,736.70	3,062,594,895.96	7,268,232,289.36
Add: Changes in Accounting Policies											
Correction of Prior Period Errors											
Other							221,533,304.69			-221,533,304.69	
II. Opening Balance for the Current Year	1,311,240,126.00				2,662,553,642.73	87,161,680.00	1,699,872.66		538,838,736.70	2,841,061,591.27	7,268,232,289.36
III. Current Period Increase/Decrease Amount (Decreases indicated with "—")	-8,617,500.00				-78,362,671.55	-27,148,277.65	-1,706,440.89		44,913,756.09	274,387,112.25	257,762,533.55
(I) Total Comprehensive Income							-1,706,440.89			449,137,560.94	447,431,120.05
(2) Owners' Contributions and Capital Reductions Capital	-8,617,500.00				-78,544,180.00	-27,148,277.65					-60,013,402.35
1. Common stock contributed by owners equity											
2. Other equity instruments held Contributed Capital											
3. Share-based payments recognized in equity											
4. Other	-8,617,500.00				-78,544,180.00	-27,148,277.65					-60,013,402.35
(III) Profit Distribution									44,913,756.09	-174,750,448.69	-129,836,692.60
1. Transfer to retained earnings									44,913,756.09	-44,913,756.09	
2. Distribution to Owners (or Shareholders) Distribution to Owners (or Shareholders)										-129,836,692.60	-129,836,692.60

Item	2024										
	Paid-in Capital (or Share Capital)	Other Equity Instruments			Capital Surplus	Less: Treasury shares	Other Comprehensive Income	Special reserve	Retained Earnings	Retained Earnings	Total Shareholders' Equity
		Preferred Stock	Perpetual debt	Other				Reserve			
4. Changes in Defined Benefit Plans Transfer to retained earnings											
5. Transfer from other comprehensive income Retained Earnings											
6. Other											
(V) Special Reserves											
1. Current Period Allocation											
2. Current Period Utilization											
(VI) Other					181,508.45						181,508.45
IV. Ending Balance for Current Period	1,302,622,626.00				2,584,190,971.18	60,013,402.35	-6,568.23		583,752,492.79	3,115,448,703.52	7,525,994,822.91

Project	2023										
	Paid-in Capital (or Share Capital)	Other Equity Instruments			Capital Surplus	Less: Treasury shares	Other Comprehensive Income	Special reserve	Retained Earnings	Retained Earnings	Total Shareholders' Equity
		Preferred Stock	Perpetual debt	Other				Reserve			
I. Balance at End of Previous Year	1,314,699,126.00				2,696,533,622.31	112,796,980.00	-220,150,422.82		529,443,789.93	3,173,895,018.95	7,381,624,154.37

Plus: Accounting Policy Change											
Correction of prior period errors											
Other											
II. Opening Balance for the Current Year	1,314,699,126.00				2,696,533,622.31	112,796,980.00	-220,150,422.82		529,443,789.93	3,173,895,018.95	7,381,624,154.37
III. Changes in Amounts for the Current Period (Decreases indicated with "—")	-3,459,000.00				-33,979,979.58	-25,635,300.00	316,990.79		9,394,946.77	-111,300,122.99	-113,391,865.01
(I) Total Comprehensive Income							316,990.79			93,949,467.68	94,266,458.47
(2) Owners' Contributions and Capital Reductions Capital	-3,459,000.00				-35,825,240.33	-25,174,050.00					-14,110,190.33
1. Common stock contributed by owners equity											
2. Other equity instruments held Contributed Capital											
3. Share-based payments recognized in equity					-14,110,190.33	-913,500.00					-13,196,690.33
4. Other	-3,459,000.00				-21,715,050.00	-24,260,550.00					-913,500.00
(3) Profit Distribution						-461,250.00			9,394,946.77	-205,249,590.67	-195,393,393.90
1. Appropriation to Retained Earnings									9,394,946.77	-9,394,946.77	
2. Distribution to Owners (or Shareholders) Distribution to Owners (or Shareholders)						-461,250.00				-195,854,643.90	-195,393,393.90
3. Other											
(IV) Internal Transfer of Owner's Equity Carry Forward											
1. Capital Surplus to Capital											

(or Share Capital)											
2. Transfer of Retained Earnings to Capital (or Share Capital)											
3. Use retained earnings to offset losses											
4. Changes in Defined Benefit Plans Transfer to retained earnings											
5. Transfer of other comprehensive income Retained earnings											
6. Other											
(V) Special Reserve											
1. Current Period Allocation											
2. Current Period Usage											
(VI) Other					1,845,260.75						1,845,260.75
IV. Ending Balance for the Current Period	1,311,240,126.00				2,662,553,642.73	87,161,680.00	-219,833,432.03		538,838,736.70	3,062,594,895.96	7,268,232,289.36

Company Representative: Pang Xinyuan Chief Accounting Officer: Yang Zijang Head of Accounting Department: Ouyang Lijuan

III. Basic Company Information 1.

Company Overview

√ Applicable ☐ Not Applicable

Wolong Electric Drive Group Co., Ltd. (hereinafter referred to as "the Company") was formerly known as Zhejiang Wolong Group Motor Industry Co., Ltd. (hereinafter referred to as "Motor Industry Company"), established on December 21, 1995, with an initial registered capital of RMB 12 million. Its controlling shareholder is Wolong Holding Group Co., Ltd. (hereinafter referred to as "Wolong Holding"). The company's Unified Social Credit Code is 913300001461463526. Its registered address is 1st Floor, No. 580 Fuxing West Road, Cao'e Subdistrict, Shangyu District, Shaoxing City, Zhejiang Province. Its headquarters address is is located at No. 555, Fuxing West Road, Caoe Subdistrict, Shangyu District, Shaoxing City, Zhejiang Province.

Approved by the China Securities Regulatory Commission under Document No. [2002]39, the Company publicly issued 35 million shares of Class A ordinary shares on May 23, 2002 and listed on the Shanghai Stock Exchange on June 6, 2002.

Through the issuance of dividends, allocation of new shares, capitalization of reserves, and additional share offerings over the years, as of December 31, 2024, the Company has cumulatively issued a total of 1,302,622,626.00 shares, with a registered capital of RMB 1,302,622,626.00.

The Company's primary business operations include the research and development, manufacturing, sales, and installation of electric motors, generators, drives and controllers, frequency converters, soft starters, excitation systems, rectifier and inverter systems, transformers, power distribution equipment, complete electrical systems, industrial automation equipment, vibrating machinery, batteries, power supply equipment, and energy storage equipment, as well as related import and export activities.

These financial statements were approved for issuance by the Company's Board of Directors on April 24, 2025.

IV. Basis of Preparation of Financial Statements 1.

Basis of Preparation

The Company has prepared these financial statements in accordance with the "Basic Accounting Standards for Enterprises" and various specific accounting standards, Application Guidelines for Accounting Standards for Business Enterprises, Interpretations of Accounting Standards for Business Enterprises, and other relevant regulations (hereinafter collectively referred to as the "Accounting Standards for Business Enterprises"), as well as the relevant provisions of the China Securities Regulatory Commission's "Rules for the Preparation and Disclosure of Information by Companies Issuing Securities No. 15—General Provisions for Financial Reports."

2. Going Concern

√ Applicable ☐ Not applicable

The Company is able to maintain its operations for the next 12 months from the end of the reporting period. These financial statements have been prepared on a going concern basis.

V. Significant Accounting Policies and Estimates Specific Accounting Policies and Estimates:

□Applicable √Not Applicable

1. Statement of Compliance with Accounting Standards

The financial statements prepared by the Company comply with the requirements of the Accounting Standards for Business Enterprises and present fairly, in all material respects, the Company's financial position, results of operations, changes in shareholders' equity, and cash flows.

2. Accounting Period

The Company's fiscal year runs from January 1 to December 31 of the Gregorian calendar.

3. Operating Cycle

√ Applicable ☐ Not applicable

The Company's operating cycle is 12 months.

4. Functional Currency

The functional currency of the Company is Renminbi (RMB).

The Company's overseas subsidiaries independently determine their functional currency based on the primary economic environment in which they operate, using currencies such as the Euro or British Pound. Financial statements are converted into Renminbi for presentation.

5. Methodology and Basis for Determining Materiality Thresholds

√ Applicable ☐ Not Applicable

Item	Materiality Threshold
Individual accounts receivable for which significant individual bad debt provisions are made	Individual amount exceeds 0.5% of the company's consolidated total assets
Amount of bad debt provision recovered or reversed during the current period Significant	Individual amount exceeding 0.5% of the company's consolidated total assets
Significant write-offs of accounts receivable during the current period	Individual amounts exceeding 0.5% of the company's consolidated total assets
Significant other receivables for which bad debt provisions are made on an individual basis with individual amounts exceeding 0.5% of the company's consolidated total assets	Individual amounts exceeding 0.5% of the company's consolidated total assets
Significant capitalized R&D projects under development	Individual budget amount exceeding 10% of R&D expenditure
Significant construction-in-progress	Individual budget amount exceeding 10% of the proportion of construction in progress
Significant non-wholly owned subsidiaries	Non-wholly owned subsidiaries with both revenue and total assets exceeding 10% of the consolidated financial statements
Significant joint ventures	Individual joint venture long-term equity investment year-end balance exceeding 0.5% of the company's consolidated
Significant overseas operating entities included in the scope of consolidation	0.5% of the total assets in the consolidated financial statements A single entity whose total assets represent 1% or more of the Company's total assets in the consolidated financial statements
Significant Contingent Liabilities/Subsequent Events/Other Significant Matters	Individual amount exceeding 10% of the company's consolidated net profit

6. Accounting treatment for business combinations under common control and non-common control

√ Applicable ☐ Not applicable

Business combinations under common control: Assets and liabilities acquired by the acquirer in a business combination are measured at the carrying amounts of the acquiree's assets and liabilities on the acquisition date. liabilities (including goodwill arising from the ultimate controlling party's acquisition of the acquiree) in the ultimate controlling party's consolidated financial statements. The difference between the net asset book value acquired in the merger and the book value of the merger consideration paid (or the total par value of shares issued)shall adjust the share premium in capital surplus. If the share premium in capital surplus is insufficient to cover the difference, retained earnings shall be adjusted.

Non-controlling interests in business combinations: The acquirer measures assets transferred and liabilities incurred or assumed as consideration for the business combination at fair value on the acquisition date. The difference between fair value and carrying amount is recognized in profit or loss for the period.The excess of the cost of the acquisition over the fair value share of the acquiree's identifiable net assets acquired in the business combination shall be recognized as goodwill. The deficiency of the cost of the acquisition over the fair value share of the acquiree's identifiable net assets acquired in the business combination shall be recognized in profit or loss for

the period.

Direct costs incurred in connection with a business combination are recognized in profit or loss when incurred.

Transaction costs incurred in issuing equity securities or debt securities for a business combination are included in the initial recognition amount of the equity securities or debt securities.

are included in the initial recognition amount of the equity or debt securities.

7. Criteria for Determining Control and Methodology for Preparing Consolidated Financial Statements

√ Applicable ☐ Not applicable

（1） Criteria for Determining Control

The scope of consolidation for the Company's consolidated financial statements is determined based on control, encompassing the Company and all subsidiaries controlled by the Company (including enterprises, separable parts of investees, and structured entities controlled by the Company). The Company determines control based on the criteria that it possesses power over the investee, receives variable returns through participation in the investee's activities, and has the ability to use its power over the investee to affect the amount of those returns.

（2） Consolidation Procedures

The Company prepares its consolidated financial statements based on its own financial statements and those of its subsidiaries, supplemented by other relevant information. In preparing these statements, the Company treats the entire enterprise group as a single accounting entity. It reflects the group's overall financial position, operating results, and cash flows in accordance with the recognition, measurement, and presentation requirements of relevant enterprise accounting standards, applying uniform accounting policies.

All subsidiaries included in the scope of consolidation adopt accounting policies and accounting periods consistent with the Company. Where a subsidiary's accounting policies or accounting period differ from those of the Company, necessary adjustments are made in accordance with the Company's accounting policies and accounting period when preparing the consolidated financial statements.For subsidiaries acquired through non-common-control business combinations, their financial statements are adjusted based on the fair value of identifiable net assets as of the acquisition date. For subsidiaries acquired through common-control business combinations, their financial statements are adjusted based on the carrying amounts of their assets and liabilities (including goodwill arising from the ultimate controlling party's acquisition of the subsidiary) as reflected in the ultimate controlling party's financial statements.

The minority interest share of a subsidiary's equity, net profit for the period, and comprehensive income for the period shall be separately disclosed under the equity section of the consolidated balance sheet, the net profit section of the consolidated income statement, and the total comprehensive income section, respectively. Any excess of the current period loss allocated to minority shareholders over their share of the subsidiary's opening equity shall be offset against minority interest.

1） Addition of Subsidiaries or Businesses

During the reporting period, if subsidiaries or businesses are added through business combinations under common control, the opening balance of the consolidated balance sheet is adjusted; the revenue, expenses, and profit of the subsidiary or business from the date of consolidation to the end of the reporting period are included in the consolidated income statement;Include the cash flows of the subsidiary or business from the beginning of the period of consolidation to the end of the reporting period in the consolidated cash flow statement, while adjusting the relevant items in the comparative statements accordingly. This is treated as if the consolidated reporting entity had existed continuously from the point when the ultimate controlling party first exercised control.

Where additional investments or other reasons enable control over an investee under common control, adjustments are made as if all parties participating in the consolidation had existed in their current state since the ultimate controlling party assumed control.For equity investments held prior to obtaining control of the acquiree, any recognized gains or losses, other comprehensive income, and other changes in net assets from the date of acquisition

of the original equity interest to the later of the date of acquisition or the date of common control with the acquirer and the acquiree shall be offset against the opening retained earnings or current period profit or loss of the comparative period.

During the reporting period, if subsidiaries or businesses are added due to business combinations not under common control, the opening balance sheet figures for the reporting period shall not be adjusted.
; the revenue, expenses, and profit of such subsidiary or business from the acquisition date to the end of the reporting period shall be included in the consolidated income statement; and the cash flows of such subsidiary or business from the acquisition date to the end of the reporting period shall be included in the consolidated cash flow statement.

Where additional investments or other reasons enable control over a non-controlling investee, the Company remeasures the equity interest in the acquiree held prior to the acquisition date at its fair value on that date. The difference between the fair value and the carrying amount is recognized in investment income for the period.If the equity interest in the acquiree held prior to the acquisition date involves other comprehensive income under the equity method and changes in equity other than net profit or loss, other comprehensive income, and profit distribution, the related other comprehensive income and changes in equity are transferred to investment income for the period in which the acquisition date falls, except for other comprehensive income arising from the remeasurement of the net liability or net assets of a defined benefit plan of the investee.

2) Disposal of Subsidiaries or Businesses

① General Treatment Method

During the reporting period, when the Company disposes of a subsidiary or business, the income, expenses, and profit of that subsidiary or business from the beginning of the period to the disposal date are included in the consolidated income statement; the cash flows of that subsidiary or business from the beginning of the period to the disposal date are included in the consolidated cash flow statement.

When control over an investee is lost due to the disposal of a portion of an equity investment or other reasons, the Company remeasures the remaining equity investment at its fair value as of the date control is lost.The difference between the aggregate of the consideration received from the disposal and the fair value of the remaining equity interest, and the sum of the Company's share of the net assets of the original subsidiary calculated from the acquisition date or consolidation date based on the original equity interest ratio and goodwill, is recognized as investment income in the period of loss of control.Other comprehensive income related to the equity investment in the former subsidiary, or changes in equity other than net profit or loss, other comprehensive income, and profit distribution, shall be reclassified to investment income in the period of loss of control, except for other comprehensive income arising from the remeasurement of the net liability or net assets of a defined benefit plan of the investee.

When control is lost due to a decrease in the Company's ownership percentage resulting from additional capital contributions by other investors to the subsidiary, accounting treatment shall be performed in accordance with the above principles.

② Step-by-Step Disposal of Subsidiary

Where control over an equity investment in a subsidiary is lost through multiple transactions conducted in stages, the terms, conditions, and economic effects of each transaction relating to the disposal of the equity investment in the subsidiary shall be accounted for as a single transaction if they meet one or more of the following criteria:

i. These transactions are entered into simultaneously or with mutual consideration of their effects;

ii. The transactions collectively achieve a complete business outcome;

iii. The occurrence of one transaction depends on the occurrence of at least one other transaction;

iv. A transaction may be uneconomical when considered individually, but becomes economical when evaluated in conjunction with other transactions.

Where multiple transactions involving the disposal of an equity investment in a subsidiary constitute a single

transaction package leading to loss of control, the Company accounts for all transactions as a single disposal of the subsidiary and loss of control.However, the difference between the proceeds from each disposal prior to loss of control and the corresponding share of the subsidiary's net assets shall be recognized in other comprehensive income in the consolidated financial statements and transferred to profit or loss in the period of loss of control.

Where transactions involving the disposal of equity investments in subsidiaries up to the point of loss of control do not constitute a single transaction, prior to loss of control,

the transactions shall be accounted for in accordance with the relevant policies for partial disposal of an investment in a subsidiary without loss of control. At the time of loss of control, the transactions shall be accounted for in accordance with the general method for disposal of subsidiaries.

3) Acquisition of Minority Interests in Subsidiaries

The difference between the long-term equity investment newly acquired by the Company through the purchase of minority interests and the share of the subsidiary's net assets calculated based on the newly acquired equity interest from the acquisition date (or merger date) onwards shall adjust the share premium in capital surplus in the consolidated balance sheet. If the share premium in capital surplus is insufficient to cover the difference, retained earnings shall be adjusted.

4) Partial Disposal of Equity Investment in Subsidiary Without Loss of Control

The difference between the proceeds from the partial disposal of a long-term equity investment in a subsidiary without losing control and the share of the subsidiary's net assets calculated continuously from the acquisition date or consolidation date shall be adjusted against the share premium in capital reserves on the consolidated balance sheet. If the share premium in capital reserves is insufficient, the difference shall be adjusted against retained earnings.

8. Classification of Joint Arrangements and Accounting Treatment for Joint Ventures

√ Applicable ☐ Not applicable

Joint arrangements are classified as joint operations or joint ventures.

When the Company is a venturer in a joint arrangement and has rights to the arrangement's related assets and obligations for the arrangement's related liabilities, it constitutes a joint operation. The Company recognizes the following items related to its share of interests in the joint operation and accounts for them in accordance with relevant enterprise accounting standards:

:

(1) Recognize assets held solely by the Company, as well as jointly held assets recognized according to the Company's share;

(2) Recognize liabilities solely incurred by the Company, as well as jointly incurred liabilities recognized according to the Company's share;

(3) Recognition of revenue from the Company's share of the joint operation's output;

(4) Recognition of revenue generated by the joint operation from the sale of outputs, based on the Company's share;

(5) Recognize expenses incurred solely by the Company, as well as expenses incurred by the joint operation based on the Company's share. The accounting policies for the Company's investment in joint ventures are detailed in the notes to long-term equity investments.

9. Criteria for Determining Cash and Cash Equivalents

For the purpose of preparing the cash flow statement, cash is recognized as the Company's cash on hand and deposits that are readily available for payment. Cash equivalents are investments that meet all four of the following criteria: short-term maturity (due within three months from the date of purchase), high liquidity, readily

convertible into known amounts of cash, and subject to insignificant risk of changes in value.

10. Foreign Currency Transactions and Foreign Currency Financial Statement Translation

√ Applicable □ Not applicable

(1) Foreign Currency Transactions

Foreign currency transactions are recorded in RMB using the spot exchange rate prevailing on the transaction date.

Balances of monetary items denominated in foreign currencies at the balance sheet date are translated at the spot exchange rate prevailing on that date. The resulting exchange differences, except for those arising from foreign currency borrowings specifically incurred for the construction or acquisition of assets meeting capitalization criteria and treated in accordance with the capitalization of borrowing costs, are those arising from foreign currency borrowings specifically used for the acquisition or construction of assets meeting capitalization criteria, which are treated in accordance with the principle of capitalizing borrowing costs, are recognized in profit or loss for the period.

（2） Translation of Foreign Currency Financial Statements

Assets and liabilities on the balance sheet are translated using the spot exchange rate on the balance sheet date. Equity items, except for "Retained Earnings," are translated using the spot exchange rate prevailing at the time of transaction. Income and expense items on the income statement are translated using the spot exchange rate prevailing on the transaction date.

When preparing consolidated financial statements involving foreign operations, exchange differences arising from foreign currency monetary items that constitute a net investment in the foreign operation are recognized as "Foreign currency translation differences" in other comprehensive income.

Upon disposal of a foreign operation, exchange differences arising from the translation of foreign currency financial statements related to that operation are transferred from equity items to profit or loss for the period of disposal.

11. Financial Instruments

√ Applicable ☐ Not applicable

Financial instruments include financial assets, financial liabilities, and equity instruments.

（1） Classification of Financial Instruments

1） Classification, Recognition Basis, and Measurement Methods for Financial Assets

Based on the Company's business model for managing financial assets and the contractual cash flow characteristics of such assets, financial assets are classified upon initial recognition as: financial assets measured at amortized cost, financial assets measured at fair value with changes recognized in other comprehensive income (debt instruments) and financial assets at fair value through profit or loss.

Business models that aim to collect contractual cash flows and where the contractual cash flows consist solely of payments of principal and interest based on the outstanding principal amount are classified as financial assets measured at amortized cost.Financial assets whose business model is to collect contractual cash flows and to sell the financial asset, and where the contractual cash flows consist solely of payments of principal and interest based on the outstanding principal amount, are classified as financial assets at fair value through other comprehensive income (debt instruments). All other financial assets are classified as financial assets at fair value through profit or loss.At initial recognition, to eliminate or significantly reduce accounting mismatches, a financial asset may be designated as a financial asset at fair value through profit or loss. For non-trading equity investments, the Company determines at initial recognition whether to designate them as financial assets at fair value through profit or loss changes recognized in other comprehensive income (equity instruments).

Financial liabilities are classified upon initial recognition as: financial liabilities at fair value through profit or loss and financial liabilities measured at amortized cost.

A financial liability may be designated at initial measurement as a financial liability at fair value through profit or loss if it meets any of the following conditions:

1） The designation eliminates or significantly reduces an accounting mismatch.

2) Financial liabilities are managed and evaluated on a portfolio basis, and financial assets and liabilities are evaluated on a portfolio basis, based on the enterprise's risk management or investment strategy as documented in formal written documents.

financial assets and liabilities based on fair value, and the entity reports to key management personnel internally based on this approach.

3) The financial liability contains an embedded derivative that must be separated.

(2) Basis for Recognition and Measurement Methods of Financial Instruments

1) Financial assets measured at amortized cost

Financial assets measured at amortized cost include notes receivable, accounts receivable, other receivables, long-term receivables, debt investments, etc. They are initially measured at fair value, with related transaction costs included in the initial recognition amount. Accounts receivable without significant financing components and accounts receivable for which the Company has determined not to consider financing components exceeding one year are initially measured at the contract transaction price.

Interest calculated using the effective interest method during the holding period is recognized in profit or loss for the period.

Upon recovery or disposal, the difference between the proceeds received and the carrying amount of the financial asset is recognized in profit or loss for the period.

2) Financial Assets at Fair Value Through Other Comprehensive Income (Debt Instruments)

Financial assets at fair value through other comprehensive income (debt instruments), including receivables financing and other debt investments, are initially measured at fair value, with transaction costs included in the initial recognition amount. These assets are subsequently measured at fair value, with changes in fair value recognized in other comprehensive income, except for interest calculated using the effective interest method, impairment losses or gains, and foreign exchange gains or losses.

Upon derecognition, the cumulative gains or losses previously recognized in other comprehensive income are transferred out of other comprehensive income and recognized in profit or loss for the period.

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3) Financial Assets at Fair Value Through Other Comprehensive Income (Equity Instruments)

Financial assets at fair value through other comprehensive income (equity instruments) include other equity investments

, etc. These are initially measured at fair value, with related transaction costs included in the initial recognition amount. Such financial assets are subsequently measured at fair value, with changes in fair value recognized in other comprehensive income. Dividends received are recognized in profit or loss for the period.

Upon derecognition, the cumulative gains or losses previously recognized in other comprehensive income are transferred out of other comprehensive income and recognized in retained earnings.

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4) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include trading financial assets, derivative financial assets, other non-current financial assets, etc. They are initially measured at fair value, with related transaction costs

recognized in profit or loss for the period. These financial assets are subsequently measured at fair value, with changes in fair value recognized in profit or loss for the period.

5) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include trading liabilities, derivative liabilities, and similar items. They are initially measured at fair value, with related transaction costs recognized in profit or loss. Subsequently, these liabilities are measured at fair value, with changes in fair value recognized in profit or loss.

Upon derecognition, the difference between its carrying amount and the consideration paid is recognized in profit or loss for the period.

6) Financial Liabilities Measured at Amortized Cost

Financial liabilities measured at amortized cost include short-term borrowings, notes payable, accounts payable, other payables, long-term borrowings, bonds payable, and long-term payables. These are initially measured at fair value, with related transaction costs included in the initial recognition amount. Interest calculated using the effective interest method during the holding period is recognized in profit or loss for the period.

Upon derecognition, the difference between the consideration paid and the carrying amount of the financial liability is recognized in profit or loss for the period.

（3） Recognition Basis and Measurement Method for Transfers of Financial Assets

When the Company transfers a financial asset, it derecognizes the asset if substantially all risks and rewards of ownership have been transferred to the transferee. If substantially all risks and rewards of ownership remain with the Company, the asset is not derecognized.

In determining whether a financial asset transfer meets the above derecognition criteria, the substance-over-form principle is applied. The Company classifies financial asset transfers as either full transfers or partial transfers. For full transfers meeting derecognition criteria, the difference between the following two amounts is recognized in profit or loss for the period:

1） The carrying amount of the transferred financial assets;

2） The consideration received for the transfer, plus the cumulative amount of changes in fair value previously recognized directly in equity (applicable when the transferred financial asset is a financial asset at fair value through other comprehensive income (debt instrument) or an available-for-sale financial asset).

Where a partial transfer of a financial asset meets the conditions for derecognition, the carrying amount of the transferred financial asset shall be allocated between the derecognized portion and the retained portion based on their respective relative fair values. The difference between the following two amounts shall be recognized in profit or loss for the period:

1） The carrying amount of the portion derecognized;

2） The consideration received for the derecognized portion, plus the cumulative amount of changes in fair value recognized directly in equity corresponding to the derecognized portion (where the transferred financial assets are financial assets at fair value through other comprehensive income (debt instruments) or available-for-sale financial assets).

If the transfer of a financial asset does not meet the conditions for derecognition, the financial asset continues to be recognized, and the consideration received is recognized as a financial liability.

（4） Derecognition of Financial Liabilities

When all or part of the present obligation of a financial liability is discharged, the financial liability or part thereof is derecognized. If the Company enters into an agreement with a creditor to replace an existing financial liability with a new financial liability, and the contractual terms of the new liability are substantially different from those of the existing liability, the existing financial liability is derecognized and the new financial liability is recognized simultaneously.

If the contractual terms of an existing financial liability are substantially modified in whole or in part, the existing financial liability or part thereof is derecognized, and the modified financial liability is recognized as a new financial liability.

When a financial liability is derecognized in whole or in part, the difference between the carrying amount of the derecognized financial liability and the consideration paid (including non-cash assets transferred or new financial liabilities assumed) is recognized in profit or loss for the period.

If the Company repurchases part of a financial liability, on the repurchase date, it allocates the carrying amount of the liability between the portion that continues to be recognized and the portion that is derecognized based on their relative fair values. The difference between the carrying amount allocated to the portion derecognized and the consideration paid (including non-cash assets transferred or new financial liabilities assumed) is recognized in profit or loss for the period.

(5) Methods for Determining the Fair Value of Financial Assets and Financial Liabilities

For financial instruments with an active market, fair value is determined based on quoted prices in that market. For financial instruments without an active market, fair value is determined using valuation techniques.In valuation, the Company employs valuation techniques appropriate to the current circumstances and supported by sufficient available data and other information. Input values selected align with the characteristics of the asset or liability considered by market participants in transactions involving the relevant asset or liability, with priority given to relevant observable inputs. Unobservable inputs are used only when relevant observable inputs are unavailable or impracticable to obtain.

(6) Impairment Testing and Accounting Treatment for Financial Assets

The Company considers all reasonable and supportable information, including forward-looking information, to estimate expected credit losses on financial assets measured at amortized cost and financial assets (debt instruments) measured at fair value through other comprehensive income, either individually or collectively.The measurement of expected credit losses depends on whether there has been a significant increase in credit risk since the initial recognition of the financial asset. If the credit risk of the financial instrument has significantly increased since initial recognition, the Company measures the loss allowance as an amount equivalent to the expected credit losses over the entire remaining life of the instrument. If the credit risk of the financial instrument has not significantly increased since initial recognition, the Company measures the allowance for credit losses at an amount equivalent to the expected credit losses over the next 12 months. Increases or reversals of the allowance for credit losses resulting from this process are recognized as impairment losses or gains in profit or loss for the period.

Typically, when an instrument is past due for more than 30 days, the Company considers the credit risk to have increased significantly. Unless the Company can obtain reasonable and supporting information, without undue cost or effort, demonstrating that although the payment is past due for more than 30 days, the credit risk has not increased significantly since initial recognition. additional cost or effort to obtain reasonable and supportable information demonstrating that, although the payment is past due by more than 30 days, the credit risk has not significantly increased since initial recognition.

If there is objective evidence that a financial asset is credit impaired, the Company recognizes an impairment allowance for that asset on an individual basis.

For accounts receivable, regardless of whether they contain a significant financing component, the Company consistently measures its loss allowance at an amount equivalent to the expected credit losses over the entire remaining life of the receivable.

For lease receivables and long-term receivables arising from the sale of goods or provision of services, the Company elects to consistently measure the allowance for credit losses at an amount equivalent to the expected credit losses over the entire remaining life of the receivables.

12. Notes Receivable

√ Applicable □Not applicable

Portfolio categories for credit risk-based allowance recognition and their basis

√ Applicable □Not applicable

For notes receivable, regardless of whether they contain a significant financing component, the Company consistently measures its allowance for credit losses at an amount equivalent to the expected credit losses over the entire remaining life of the receivable.

losses over the entire remaining life of the asset.

When information on expected credit losses for an individual financial asset cannot be assessed at a reasonable cost, the Company categorizes notes receivable into pools based on credit risk characteristics and calculates expected credit losses on a pooled basis. The basis for determining the pools is as follows:

Portfolio Name	Basis for Grouping	Allocation Method
Bank Accepted Bills Receivable	Bill Type	Based on historical credit loss experience, combined with current conditions and forecasts of future economic conditions, using default risk exposure and expected credit loss over the entire life of the portfolio Calculate expected credit losses
Accounts Receivable from Commercial Accepted Bills		

Ageing calculation method for credit risk characteristic pools based on ageing

□Applicable √Not applicable

Criteria for determining individual provisioning for bad debts

□Applicable √Not applicable

13. Accounts Receivable

√Applicable □Not Applicable

Classification categories and basis for determining bad debt provisions based on credit risk characteristics

√ Applicable □ Not applicable

For accounts receivable, regardless of whether they contain significant financing components, the Company consistently measures its loss allowance based on the amount equivalent to the expected credit losses over the entire remaining life of the receivable.

losses over the entire remaining life of the receivable.

When information on expected credit losses for an individual financial asset cannot be assessed at a reasonable cost, the Company categorizes receivables into pools based on credit risk characteristics and calculates expected credit losses on a pooled basis. The basis for determining the pools is as follows:

Portfolio Name	Basis for Grouping	Allocation Method
Portfolios for which individual impairment provisions are recognized	Individual assessment	Assess credit risk based on the customer's creditworthiness and recent credit loss experience, and calculate expected credit losses on an individual basis .
Aging Analysis Approach Portfolio	Accounts receivable aging as a risk characteristic	Aging Analysis Method
Photovoltaic Power Generation Customer Portfolio 1	National and Provincial Subsidies for Renewable Energy	Determined based on customer creditworthiness, recent credit loss experience, and the time value of money, in conjunction with industry policies Expected Credit Loss Rate.
Photovoltaic Power Generation Customer Portfolio 2	Accounts receivable for photovoltaic power generation fees and other payments	Based on historical credit loss experience, current conditions, and forecasts of future economic conditions, calculate expected credit losses using default risk exposure and the expected credit loss rate over the entire remaining life. Expected Credit Loss.
Photovoltaic Power Generation Customer Portfolio 3	Local Subsidies for Renewable Energy	Determined based on customer creditworthiness, recent credit loss experience, and the time value of money, in conjunction with industry policies Expected Credit Loss Rate.

Ageing calculation method for credit risk characteristic pools based on ageing

√ Applicable □ Not applicable

Within the aging analysis portfolio, the proportion of bad debt provisions calculated using the aging analysis method by Zhejiang Energy Storage:

Account Age	Proportion of Accounts Receivable Provision (%)
1-6 months	0.5
7-12 months	5.00
1 to 2 years	10.00
Accounts Receivable Aging	Accounts Receivable Provision Ratio (%)
2 to 3 years	30.00
3 to 4 years	50.00
4 to 5 years	80.00
5 years or more	100.00

Proportion of bad debt provisions calculated using the aging analysis method for companies other than Zhejiang Energy Storage:

Account Age	Accounts Receivable Provision Ratio (%)
Within 1 year	5.00
1 to 2 years	10.00
2 to 3 years	30.00
3 to 4 years	50.00
4 to 5 years	80.00
5 years or more	100.00

Criteria for determining individual recognition of allowance for doubtful accounts

□ Applicable √ Not applicable

14. Receivables Financing

□Applicable √Not applicable

15. Other Receivables

√Applicable □Not applicable

Portfolio categories for provisioning bad debt reserves based on credit risk characteristics and the basis for determination

√Applicable □Not applicable

When information on expected credit losses for individual other receivables cannot be assessed at reasonable cost, the Company classifies other receivables into groups based on credit risk characteristics

For other receivables grouped into portfolios, the Company calculates expected credit losses based on default risk exposure and expected credit loss rates over the next 12 months or the entire remaining life.

The basis for determining pools is as follows:

Portfolio Name	Basis for Grouping	Allocation Method

Individual recognition provisioning Portfolio for Individual Recognition Provision	Individual Provisioning	Determining credit risk based on customer creditworthiness and recent credit loss experience and generally calculate expected credit losses on an individual basis.
Portfolio 1:	Related Party Portfolio	Receivables arising from internal related-party transactions within the scope of consolidated financial statements are not subject to individual credit loss provisioning. Expected credit losses are not calculated for receivables arising from internal related-party transactions within the scope of the consolidated fina
Combination 2:	Deposit and Margin Combination	Determined comprehensively based on factors including the client's credit status, recent credit loss history, and the nature of the funds, in conjunction with industry policies and peer practices. Calculated at 3.00% for expected credit loss rate.
Portfolio 3:	Account Age Portfolio	Account Age Analysis Method.

Accounts receivable aging calculation method for credit risk characteristic grouping based on aging

√ Applicable □ Not Applicable

For portfolios where the aging analysis method is used to calculate bad debt provisions:

Account Age	Proportion of other receivables provisioning (%)
Within 1 year	5.00
1 to 2 years	10.00
2 to 3 years	30.00
3 to 4 years	50.00
4 to 5 years	80.00
5 years or more	100.00

Criteria for determining individual provisioning of bad debt reserves

□ Applicable √ Not applicable

16. Inventory

√ Applicable □ Not applicable

Inventory classification, valuation method upon issuance, inventory system, and amortization method for low-value consumables and packaging materials

√ Applicable □Not applicable

(1) Classification and Cost of Inventory

Inventory is classified as: finished goods, goods in transit, work in process, self-manufactured semi-finished goods, raw materials, low-value consumables, and materials processed on consignment.

(2) Valuation method for goods issued

Purchases and receipts of all inventory categories are valued at historical cost. Issued inventory is valued using the weighted average method. Production costs are allocated between finished goods and work in progress using the standard cost method.

(3) Basis for Determining Net Realizable Value of Different Inventory Categories

For finished goods, merchandise, and materials held for sale—inventories directly intended for sale—the net realizable value is determined during normal production and operations by subtracting estimated selling expenses and related taxes from the estimated selling price.For materials requiring further processing, net realizable value is determined by estimating the selling price of the finished goods produced minus estimated costs to complete production, estimated selling expenses, and related taxes during normal production operations.For inventory held to fulfill sales or service contracts, net realizable value is calculated based on the contract price. If the quantity of inventory held exceeds the quantity ordered in the sales contract, the net realizable value of the excess inventory is calculated based on the general selling price.

At the end of the period, an allowance for inventory impairment is recognized for individual inventory items. However, for inventory items that are numerous and have low unit costs, the allowance is recognized by inventory category. For inventory items that are related to a product line produced and sold in the same region, have the same or similar end uses or purposes, and are difficult to measure separately from other items, the allowance is recognized collectively.

Unless there is clear evidence that market prices are abnormal at the balance sheet date, the net realizable value of inventory items is determined based on market prices at the balance sheet date.

The net realizable value of inventory items at the end of the current period is determined based on market prices as of the balance sheet date.

（4） Inventory Counting System

Perpetual inventory system is adopted.

（5） Amortization Methods for Low-Value Consumables and Packaging Materials 1) Low-value consumables are written off using the periodic write-off method;

2） Packaging materials are written off using the periodic write-off method.

Recognition Criteria and Provision Method for Inventory Valuation Allowance

☐ Applicable √ Not applicable

Combination categories for provisioning inventory valuation allowances and their basis for determination, basis for determining net realizable value of different inventory categories

☐ Applicable √ Not applicable

Calculation Method and Basis for Determining the Realizable Net Value of Each Ageing Group Based on the Realizable Net Value of Inventory Confirmed by Ageing

☐ Applicable √ Not Applicable

17. Contract Assets

√ Applicable ☐ Not Applicable

Method and Criteria for Recognizing Contract Assets

√ Applicable ☐ Not Applicable

The Company presents contract assets or contract liabilities on the balance sheet based on the relationship between the fulfillment of performance obligations and customer payments.

Contract assets are recognized when the Company has transferred goods or provided services to customers and has the right to receive consideration (where such right is contingent on factors other than the passage of time). Contract assets and contract liabilities arising from the same contract are presented on a net basis. The Company's unconditional right (contingent solely on the passage of time) to receive consideration from customers is recognized separately as accounts receivable.

Grouping categories for bad debt provisions based on credit risk characteristics and the basis for determination

√ Applicable ☐ Not applicable

For contract assets, regardless of whether a significant financing component exists, the Company consistently measures its allowance for credit losses at an amount equivalent to the expected credit losses over the entire remaining term.

losses over the entire remaining term.

Except for Zhejiang Energy Storage, the impairment loss provision ratios for contract assets of other companies are as follows:

Portfolio Name	Basis for Portfolio Identification	Allocation Method
Contract Asset	Allocated by portfolio	Based on customer creditworthiness, recent credit loss experience, and the nature of the receivables

Portfolio 1		Asset impairment losses are provisioned at 5.00%.

Ageing Calculation Method for Credit Risk Characteristic Groups Based on Ageing

√ Applicable □Not applicable

Zhejiang Energy Storage Contract Assets employ the aging analysis method, with the following impairment loss provision rates based on aging:

Account Age	Contract Asset Provision Rate (%)
1-6 months	0.5
7–12 months	5.00
1 to 2 years	10.00
Account Age	Contract Asset Provisioning Ratio (%)
2 to 3 years	30.00
3 to 4 years	50.00
4 to 5 years	80.00
5 years or more	100.00

Criteria for determining individual recognition of bad debt provisions

□ Applicable √ Not applicable

18. Non-current assets held for sale or disposal groups

□Applicable √Not applicable

Criteria for classifying non-current assets or disposal groups as held for sale and accounting treatment

√ Applicable □ Not applicable

The Company classifies non-current assets or disposal groups as held for sale when all of the following conditions are met:

(1) The asset or disposal group is readily available for immediate sale under current conditions, consistent with customary practices for similar transactions;

(2) The sale is highly probable, meaning the Company has made a resolution regarding a sale plan and obtained a firm commitment to purchase, with the sale expected to be completed within one year. Where regulations require approval from the Company's relevant governing bodies or regulatory authorities prior to sale, such approval has been obtained.

Criteria for Identifying and Reporting Discontinued Operations

√ Applicable □ Not applicable

A discontinued operation is a separately identifiable component that meets one of the following conditions and has been disposed of by the Company

or classified by the Company as held for sale:

(1) The component represents a separate major line of business or a distinct major geographical area of operations;

(2) The component is part of a related plan to dispose of an independent major line of business or a separate major geographical area of operations;

(3) The component is a subsidiary acquired specifically for resale.

19. Long-term equity investments

√ Applicable □ Not applicable

(1) Criteria for Judging Joint Control and Significant Influence

Joint control refers to the shared control over an arrangement based on relevant agreements, where decisions regarding the arrangement's activities require unanimous consent from all parties sharing control. Where the Company and other joint venture partners jointly control an investee and hold rights to the investee's net assets, the investee is classified as the Company's joint venture.

Significant influence refers to the power to participate in the financial and operating decisions of an investee, but without the ability to control or jointly control the formulation of these policies with other parties. Where the Company can exert significant influence over an investee, the investee is classified as an associate of the Company.

（2） Determination of Initial Investment Cost

1） Long-term equity investments arising from business combinations

Business combinations under common control: Where the Company pays cash, transfers non-cash assets, assumes liabilities, or issues equity securities as consideration for the combination, the initial investment cost of the long-term equity investment is determined on the merger date as the proportionate share of the carrying value of the acquiree's equity in the consolidated financial statements of the ultimate controlling party.Where additional investments or other factors enable control over an investee under common control, the initial investment cost of the long-term equity investment is determined at the merger date based on the share of the net assets of the investee in the consolidated financial statements of the ultimate controlling party.The difference between the initial investment cost of the long-term equity investment on the merger date and the sum of the pre-merger carrying value of the long-term equity investment plus the carrying value of the additional consideration paid for acquiring further shares on the merger date shall adjust the share premium. If the share premium is insufficient to cover the difference, retained earnings shall be reduced.

Non-controlling interest in business combinations: The Company determines the initial investment cost of long-term equity investments based on the acquisition cost at the acquisition date. If subsequent investments enable control over the investee in a non-controlling interest, the initial investment cost for subsequent accounting under the cost method is the sum of the original carrying amount of the equity investment and the cost of the new investment.

2） Long-term equity investments acquired by other means

For long-term equity investments acquired by paying cash, the actual purchase price paid shall be used as the initial investment cost.

Long-term equity investments acquired by issuing equity securities shall be measured at the fair value of the equity securities issued as the initial investment cost. In non-monetary exchanges with commercial substance where the fair value of the assets received or given up can be reliably measured, fair value as the basis for measurement. If the fair values of both the assets received and the assets given up can be reliably measured, the initial investment cost of the long-term equity investment received shall be the fair value of the assets given up plus any related taxes payable, unless conclusive evidence indicates that the fair value of the assets received is more reliable.When a non-monetary asset exchange lacks commercial substance, or when the fair values of both the assets received and the assets given up cannot be reliably measured, the initial investment cost of the long-term equity investment received shall be determined based on the carrying amount of the assets given up and the related taxes payable.

Long-term equity investments acquired through debt restructuring shall be recorded at the fair value of the debt forgiven plus other costs directly attributable to the asset, such as taxes. The difference between the fair value and the carrying amount of the forgiven debt shall be recognized in profit or loss for the period.

（3） Subsequent Measurement and Profit/Loss Recognition Method

1） Long-term equity investments accounted for using the cost method

The Company accounts for its long-term equity investments in subsidiaries using the cost method. Except for cash dividends or profits declared but not yet distributed that are included in the actual consideration paid or received at the time of acquisition, the Company recognizes current investment income based on the cash dividends or profits declared and distributed by the investee.

2） Long-term equity investments accounted for using the equity method

Long-term equity investments in associates and joint ventures are accounted for using the equity method. The difference between the initial investment cost and the fair value share of the investee's identifiable net assets at the time of investment is not adjusted against the initial investment cost of the long-term equity investment. The difference between the initial investment cost and the fair value share of the investee's identifiable net assets at the

time of investment is recognized in profit or loss for the period.

The company recognizes investment income and other comprehensive income based on its share of the investee's net profit or loss and other comprehensive income, respectively, while adjusting the carrying amount of the long-term equity investment. For the portion of dividends or cash dividends declared by the investee to which the company is entitled, the carrying amount of the long-term equity investment is correspondingly reduced.

calculate the portion to which it is entitled and reduce the carrying amount of the long-term equity investment accordingly. For all other changes in the investee's equity other than net profit or loss and other comprehensive income, the carrying amount of the long-term equity investment is adjusted and recognized in equity.

equity changes other than net profit, other comprehensive income, and profit distributions, the carrying amount of the long-term equity investment is adjusted and recognized in equity.

When recognizing the share of the investee's net profit or loss, the fair value of the investee's identifiable net assets at the time of investment acquisition shall serve as the basis. The investee's net profit shall be adjusted in accordance with the company's accounting policies and accounting period before recognition.During the holding period, if the investee prepares consolidated financial statements, the calculation shall be based on the investee's share of net profit, other comprehensive income, and other changes in equity as reported in the consolidated financial statements.

Unrealized gains or losses arising from internal transactions between the Company and its associates or joint ventures are allocated to the Company based on its ownership interest and offset accordingly. Investment income is recognized on this adjusted basis. Unrealized losses from internal transactions with investees that constitute asset impairment losses are recognized in full.Transactions involving the contribution or sale of assets between the Company and its associates or joint ventures, where such assets constitute a business, shall be accounted for in accordance with the relevant policies disclosed in "IV.6 Accounting Treatment for Business Combinations under Common Control and Non-Common Control" and "IV.7 Criteria for Determining Control and Preparation of Consolidated Financial Statements" in these notes.

When recognizing losses to be shared in an investee, the Company follows this sequence: First, reduce the carrying amount of the long-term equity investment. Second, if the carrying amount of the long-term equity investment is insufficient, recognize further investment losses up to the carrying amount of other long-term equity interests that substantially constitute net investments in the investee, reducing the carrying amounts of long-term receivables, etc.Finally, if the enterprise still bears additional obligations as stipulated in the investment contract or agreement after the above treatments, it recognizes an estimated liability based on the expected obligations and includes it in the current period's investment loss.

3） Disposal of Long-Term Equity Investments

Upon disposal of a long-term equity investment, the difference between its carrying amount and the actual proceeds received is recognized in profit or loss for the period.

For long-term equity investments accounted for using the equity method, upon disposal, the portion previously recognized in other comprehensive income shall be accounted for on the same basis as the investee's direct disposal of related assets or liabilities, in proportion to the original investment.Equity interests recognized due to changes in the investee's equity other than changes in net profit, other comprehensive income, and profit distributions shall be transferred proportionally to profit or loss for the current period, except for other comprehensive income arising from the investee's remeasurement of the net liability or net assets of a defined benefit plan. Where joint control or significant influence over the investee is lost due to reasons such as the disposal of part of the equity investment, the remaining equity interest after disposal shall be accounted for in accordance with the Financial Instruments Standard. The difference between its fair value and book value on the date of loss of joint control or significant influence shall be recognized in profit or loss for the current period.

shall be accounted for in accordance with the Financial Instruments Recognition and Measurement Standard. The difference between the fair value and the carrying amount of the remaining equity interest on the date of loss of joint control or significant influence shall be recognized in profit or loss for the period.Other comprehensive income recognized under the equity method for the original equity investment shall be accounted for on the same basis as the direct disposal of related assets or liabilities of the investee when discontinuing the equity method. Equity recognized due to changes in the investee's equity other than net profit, other comprehensive income, and profit distributions shall be transferred in full to profit or loss for the period when discontinuing the equity method.

When control over an investee is lost due to reasons such as the disposal of a portion of the equity investment or a decrease in the Company's ownership percentage resulting from additional capital contributions by other investors to the subsidiary, the following adjustments shall be made when preparing separate financial statements:If the remaining equity interest cannot be used to exercise joint control or significant influence over the investee, it shall be accounted for in accordance with the relevant provisions of the Financial Instruments Recognition and Measurement Standard. The difference between its fair value and carrying amount as of the date of loss of control shall be recognized in profit or loss for the period.

Where the disposed equity interest was acquired through a business combination (e.g., additional investment), the remaining equity interest after disposal shall be accounted for as follows in preparing separate financial statements:

If the remaining equity interest is accounted for using the cost method or equity method, the other comprehensive income and other equity recognized from the equity method prior to the acquisition date shall be transferred proportionally. If the remaining equity interest is subsequently accounted for in accordance with the Financial Instruments Recognition and Measurement Standard, all other comprehensive income and other equity shall be transferred.

20. Investment property Not applicable

21. Fixed Assets

(1). Recognition Criteria

√ Applicable □ Not applicable

Fixed assets refer to tangible assets held for the production of goods, provision of services, leasing, or management, with a useful life exceeding one accounting year.

. Fixed assets are recognized when all of the following conditions are met:

1) The economic benefits associated with the fixed asset are likely to flow to the enterprise;

2) The cost of the fixed asset can be measured reliably.

Fixed assets are initially measured at cost (taking into account the estimated disposal costs).

Subsequent expenditures related to a fixed asset are capitalized when the economic benefits associated with the expenditure are likely to flow to the enterprise and the cost can be measured reliably. For the portion that is replaced, the carrying amount is derecognized. All other subsequent expenditures are recognized in profit or loss when incurred.

(2). Depreciation Method

√ Applicable □ Not applicable

Category	Depreciation Method	Depreciation Period (Years)	Residual Value Rate	Annual Depreciation Rate
Buildings and Structures	Straight-line method	20-76	0%/5.00%	1%-5%
Machinery and Equipment	Straight-line method	3-34	0%/5.00%	3%-33%
Vehicles	Straight-line method	8-12	0%/5.00%	8%-12%
Photovoltaic Power Station	Straight-line method	20-25	0%/5.00%	3.80%-4.75%
Other Equipment	Straight-line method	2-14	0%/5.00%	7%-50%

22. Construction in Progress

√ Applicable □ Not applicable

Construction in progress projects shall be recorded at the carrying amount of fixed assets based on the necessary expenditures incurred prior to the asset reaching its intended usable state.

The fixed assets constructed shall be transferred to the fixed assets at their estimated value based on the project budget, construcFor fixed assets under construction that have reached their intended usable state but for which final settlement has not yet been completed, the estimated value shall be transferred to fixed assets based on the

project budget, cost, or actual project cost from the date of reaching the intended usable state. Depreciation shall be accrued in accordance with the Company's fixed asset depreciation policy. Upon completion of final settlement, the original provisional value shall be adjusted to the actual cost, but the previously accrued depreciation amount shall not be adjusted.

23. Borrowing Costs

√ Applicable ☐ Not applicable

（1） Principles for Capitalizing Borrowing Costs

Borrowing costs include interest on borrowings, amortization of discounts or premiums, ancillary costs, and exchange differences arising from foreign currency borrowings.

Borrowing costs incurred by the Company that are directly attributable to the acquisition, construction, or production of assets meeting capitalization criteria shall be capitalized and included in the cost of the related assets. Other borrowing costs shall be recognized as expenses in the period incurred based on their amount and included in profit or loss for the period.

Assets qualifying for capitalization are those that require a substantial period of time for construction, production, or acquisition to reach their intended usable or saleable state, such as fixed assets, investment properties, and inventories.

Borrowing costs shall be capitalized when both of the following conditions are met:

1） Asset expenditures have been incurred, including expenditures made in the form of cash payments, transfers of non-cash assets, or the assumption of interest-bearing debt for the acquisition, construction, or production of assets meeting capitalization criteria;

2） Borrowing costs have been incurred;

3） The construction or production activities necessary to bring the asset to its intended usable or saleable state have commenced.

（2） Capitalization Period for Borrowing Costs

The capitalization period refers to the time from when borrowing costs begin to be capitalized until the point when capitalization ceases, excluding any periods during which capitalization is suspended.

Capitalization of borrowing costs ceases when the asset meeting capitalization criteria reaches its intended usable or saleable condition.

When parts of an asset meeting capitalization criteria are completed separately and can be used independently, capitalization of borrowing costs for those parts ceases.

If separate parts of the asset being acquired, constructed, or produced are completed but the asset as a whole must be completed before it can be used or sold externally, capitalization of borrowing costs ceases upon completion of the asset as a whole.

（3） Suspension of Capitalization

If the construction or production of an asset qualifying for capitalization is interrupted abnormally for a continuous period exceeding three months, capitalization of borrowing costs is suspended. However, if the interruption is a necessary procedure for the asset to reach its intended usable or saleable state, capitalization of borrowing costs continues. Borrowing costs incurred during the suspension period are recognized as current period expenses until capitalization resumes upon the resumption of construction or production activities.

（4） Calculation Methods for Borrowing Costs Capitalization Rate and Capitalized Amount

For specific borrowings incurred to acquire or construct assets meeting capitalization criteria, the capitalized amount of borrowing costs is determined as the actual borrowing costs incurred during the period, less interest income earned on unused funds deposited in banks or investment income from temporary investments.

For general borrowings used for the acquisition, construction, or production of assets meeting capitalization criteria, the capitalized borrowing costs for the general borrowing portion are calculated by multiplying the weighted average of the asset expenditures exceeding the special borrowing portion by the capitalization rate for the general borrowing portion. The capitalization rate is determined based on the weig

The capitalization rate is determined based on the weighted average interest rate of the general borrowings.

24. Biological Assets

□Applicable √ Not applicable

25. Oil and Gas Assets

□ Applicable √

Not applicable **26.**

(1). Useful Life and Basis for Determination, Estimates, Amortization Method or Review Procedures

√ Applicable □ Not applicable

（1） Valuation Method for Intangible Assets

1） The Company initially measures intangible assets at cost;

The cost of purchased intangible assets includes the purchase price, related taxes, and other expenditures directly attributable to bringing the asset to its intended use. If the purchase price of an intangible asset is deferred beyond normal credit terms and is effectively a financing transaction, the cost of the intangible asset is determined based on the present value of the purchase price.

Intangible assets acquired through debt restructuring as consideration for debt settlement are recorded at the fair value of the debt forgiven plus other costs directly attributable to bringing the asset to its intended use, such as taxes. The difference between the fair value and carrying amount of the forgiven debt is recognized in profit or loss for the period.

When a non-monetary asset exchange has commercial substance and the fair values of the assets received or given up can be reliably measured, the exchange is measured at fair value.If the fair values of both the assets received and the assets given up can be reliably measured, the initial investment cost of the intangible asset received is determined based on the fair value of the asset given up and the related taxes payable, unless conclusive evidence indicates that the fair value of the asset received is more reliable.If a non-monetary asset exchange lacks commercial substance, or if the fair values of both the assets received and the assets given up cannot be reliably measured, the initial investment cost of the intangible asset received shall be determined based on the carrying amount of the asset given up and the related taxes payable.

2） Subsequent Measurement

The useful life of an intangible asset shall be analyzed and determined upon acquisition.

For intangible assets with finite useful lives, they shall be amortized using the straight-line method over the period during which they are expected to generate economic benefits for the enterprise. If the period during which the intangible asset is expected to generate economic benefits for the enterprise cannot be predicted, it shall be treated as an intangible asset with an indefinite useful life and shall not be amortized.

（2） Estimation of the useful life of intangible assets with finite useful lives

Intangible assets with finite useful lives are amortized using the straight-line method over their estimated useful lives, based on the amount of their cost less estimated residual value. The amortization periods are as follows:

1) Land use rights are amortized over 30–50 years;

2) Proprietary technology is amortized over 10–20 years;

3) Software is amortized over 2 to 15 years;

4) Licenses are amortized over their estimated useful lives of 8 to 19 years;

5) Patent rights are amortized over their estimated useful lives of 10 to 20 years;

6) Capitalized development costs with finite useful lives are amortized over their estimated useful lives (not exceeding 10 years) starting from the date the related product is put into production.

The useful life of intangible assets is determined according to the following procedures:

1) The useful life of intangible assets arising from contractual rights or other statutory rights shall not exceed the term of such contractual rights or statutory rights;

2) Where contractual or statutory rights are extended upon expiration (e.g., through renewal) and there is evidence that renewal does not require significant costs, the renewal period shall be included in the useful life. Where neither contract nor law specifies a useful life, the Company shall determine the period over which the intangible asset is expected to generate economic benefits by considering all relevant factors.

If the economic benefit period of an intangible asset cannot be reasonably determined through the above procedures, it shall be classified as an intangible asset with an indefinite useful life. Intangible assets with indefinite useful lives are not amortized.

At the end of each fiscal year, the Company reviews the useful lives and amortization methods of intangible assets with finite useful lives. Following this review, the useful lives and amortization methods of intangible assets at the end of the current year remain unchanged from prior estimates.

（3） Basis for Judgment and Procedures for Reviewing the Useful Life of Intangible Assets with Indefinite Useful Lives As of the balance sheet date, the Company had no intangible assets with indefinite useful lives.

(2). Scope of Aggregation and Related Accounting Treatment for Research and Development Expenditures

√ Applicable □ Not applicable

1） Criteria for distinguishing between research and development phases

The Company classifies expenditures for internal research and development projects into research phase expenditures and development phase expenditures.

Research stage: The stage of original, planned investigation and research activities conducted to acquire and understand new scientific or technical knowledge.

Development Phase: The stage where research findings or other knowledge are applied to a plan or design to produce new or substantially improved materials, devices, products, etc., prior to commercial production or use.

Planned investigation, evaluation, and selection expenditures for internal R&D projects are classified as research expenditures and recognized in current period profit or loss when incurred. Expenditures for design and testing phases related to the final application of internal R&D projects prior to large-scale production are classified as development expenditures.

2） Specific Conditions for Capitalizing Development Stage Expenditures

Expenses incurred during the development phase of internal R&D projects shall be recognized as intangible assets when all of the following conditions are met:

① The development project has been thoroughly demonstrated by the technical team;

② Management has approved the project budget;

③ Preliminary market research analysis indicates that the products to be produced by the development project possess marketability;

④ Sufficient technical and financial resources are available to carry out the development activities and subsequent large-scale production of the development project; the

⑤ expenditures for the development project can be reliably allocated.

Development expenditures incurred during the development phase that do not meet the above criteria are recognized as an expense in the period incurred. Development expenditures previously recognized as an expense are not subsequently reclassified as an asset. Capitalized development expenditures are presented on the balance sheet as development expenditures and are transferred to an intangible asset upon the project's completion and readiness for its intended use.

When the recoverable amount of an intangible asset is less than its carrying amount, the carrying amount is written down to the recoverable amount.

27. Impairment of Long-Term Assets

√ Applicable ☐ Not applicable

Long-term assets such as long-term equity investments, property, plant, and equipment, construction in progress, and intangible assets with finite useful lives are tested for impairment at the balance sheet date.

If impairment testing results indicate that an asset's recoverable amount is lower than its carrying amount, an impairment allowance is recognized for the difference and recorded as an impairment loss. The recoverable amount is the higher of the asset's fair value less costs to sell and the present value of its estimated future cash flows.Asset impairment provisions are calculated and recognized on an individual asset basis. If it is difficult to estimate the recoverable amount of an individual asset, the recoverable amount is determined for the asset group to which the asset belongs. An asset group is the smallest group of assets that can generate cash inflows independently.

Goodwill, intangible assets with indefinite useful lives, and intangible assets not yet available for use are tested for impairment at least annually at the end of each fiscal year.

The Company conducts goodwill impairment tests. For goodwill arising from business combinations, the carrying amount is allocated to relevant asset groups using a reasonable method from the acquisition date. Where allocation to specific asset groups is impractical, it is allocated to a group of relevant asset groups.When allocating the carrying amount of goodwill, the Company allocates it based on the relative benefits that the relevant cash flow group or group of cash flow groups can derive from the synergies of the business combination, and conducts goodwill impairment testing on this basis.

When conducting impairment tests on asset groups or groups of assets containing goodwill, if impairment indicators exist for the asset group or group of assets related to goodwill, impairment tests are first performed on the asset group or group of assets excluding goodwill. The recoverable amount is calculated and compared with the related carrying amount to recognize the corresponding impairment loss.Subsequently, the asset group or combination containing goodwill undergoes impairment testing. The carrying amount of these related asset groups or combinations (including the allocated portion of goodwill's carrying amount) is compared with their recoverable amount. If the recoverable amount of a related asset group or combination is lower than its carrying amount, an impairment loss on goodwill is recognized. Once recognized, such impairment losses on assets are not reversed in subsequent accounting periods.

28. Deferred Expenses

√ Applicable ☐ Not applicable

Deferred expenses are costs incurred but attributable to the current and future periods, with an amortization period exceeding one year. Deferred expenses are amortized evenly over the benefit period. If a deferred expense

item cannot benefit future periods, the unamortized portion is recognized in profit or loss for the current period. Deferred expenses are amortized evenly over the period of benefit. If a deferred expense item is not expected to benefit future accounting periods, the entire unamortized carrying amount is transferred to profit or loss for the current period.

29. Contract Liabilities

√ Applicable □Not Applicable

The Company presents contract assets or contract liabilities on the balance sheet based on the relationship between its performance obligations and customer payments.

The Company recognizes as contract liabilities its obligations to transfer goods or provide services to customers in exchange for consideration received or receivable. Contract assets and contract liabilities arising from the same contract are presented on a net basis.

30. Employee Benefits

(1). Accounting Treatment for Short-Term Compensation

√ Applicable □ Not applicable

The Company recognizes actual short-term compensation incurred during the accounting period in which employees provide services to the Company as a liability and includes it in the period's profit or loss or related asset costs.

period's profit or loss or the cost of related assets.

Social insurance contributions and housing provident fund contributions made by the Company on behalf of employees, as well as union dues and employee education funds extracted in accordance with regulations, are calculated based on prescribed accrual bases and rates during the accounting period in which employees provide services to the Company to determine the corresponding employee compensation amounts.

Employee benefit expenses for non-monetary benefits are measured at fair value if reliably measurable.

(2). Accounting Treatment of Post-Employment Benefits

√ Applicable □ Not applicable

（1） Defined Contribution Plan

The Company contributes to basic pension insurance and unemployment insurance for employees in accordance with local government regulations. During the accounting period in which employees provide services to the Company, the amounts payable are calculated based on the locally prescribed contribution bases and rates, recognized as liabilities, and included in current period profit or loss or related asset costs.

（2） Defined Benefit Plan

The Company allocates the benefit obligations arising from defined benefit plans to the periods in which employees render service using a formula determined by the projected unit credit method. These obligations are recognized in current period profit or loss or as part of the cost of related assets.

The deficit or surplus arising from the present value of the defined benefit obligation less the fair value of the defined benefit plan assets is recognized as a net liability or net asset of the defined benefit plan. Where a surplus exists in the defined benefit plan, the Company measures the net asset of the defined benefit plan at the lower of the surplus and the asset ceiling of the defined benefit plan.

All defined benefit plan obligations, including those expected to be paid within twelve months after the end of the reporting period in which the employees rendered service, are discounted using the market yield on government bonds or high-quality corporate bonds in an active market that match the term and currency of the defined benefit plan obligations as of the balance sheet date.

Service costs arising from the defined benefit plan and net interest on the net liability or net asset of the defined benefit plan are recognized in profit or loss for the period or in the cost of related assets. Changes arising from the remeasurement of the net liability or net asset of the defined benefit plan are recognized in other comprehensive income and are not reversed to profit or loss in subsequent accounting periods. Upon termination

of the original defined benefit plan, the portion originally recognized in other comprehensive income is fully transferred to retained earnings within equity.

Upon settlement of the defined benefit plan,

to recognize a settlement gain or loss.

(3). Accounting Treatment for Termination Benefits

√Applicable ☐ Not applicable

The Company recognizes employee benefit liabilities arising from termination benefits and includes them in profit or loss for the period when it cannot unilaterally withdraw the termination benefits offered under a plan to terminate employment relationships or a redundancy proposal, or when it recognizes costs or expenses related to the restructuring associated with the termination benefits (whichever occurs earlier) and payment of termination benefits arising from the restructuring (whichever occurs earlier), the Company recognizes employee benefit liabilities arising from termination benefits and includes them in profit or loss for the period.

(4). Accounting Treatment for Other Long-Term Employee Benefits

☐Applicable √ Not applicable

31. Contingent Liabilities

√ Applicable ☐ Not applicable

(1) Criteria for Recognizing Contingent Liabilities

The Company recognizes a provision when an obligation related to contingencies such as litigation, debt guarantees, onerous contracts, or restructuring matters meets all of the following conditions:

1) The obligation is a present obligation of the Company;

2) Fulfilling the obligation is likely to result in an outflow of economic benefits from the Company;

3) The amount of the obligation can be reliably measured.

(2) Measurement Methods for Various Provisions

The Company initially measures its provisions at the best estimate of the expenditure required to settle the present obligation.

In determining the best estimate, the Company comprehensively considers factors such as risks, uncertainties, and the time value of money associated with the contingent event. Where the time value of money has a significant impact, the best estimate is determined by discounting the related future cash outflows.

The best estimate is determined as follows:

Where the required expenditure falls within a continuous range (or interval) and the likelihood of each outcome within that range is the same, the best estimate is determined as the midpoint of that range, i.e., the average of the upper and lower limits.

Where the required expenditure does not form a continuous range (or interval), or where a continuous range exists but outcomes within it are not equally probable—such as when the contingent liability relates to a single item—the best estimate is determined based on the most probable amount. Where the contingent liability relates to multiple items, the best estimate is calculated based on the various possible outcomes and their associated probabilities.

Where all or part of the expenditure required to settle an estimated liability is expected to be reimbursed by a third party, the reimbursement amount is recognized as an asset separately when it is virtually certain to be received, and the amount recognized shall not exceed the carrying amount of the estimated liability.

32. Share-Based Payments

√ Applicable ☐ Not applicable

The Company's share-based payments are transactions in which equity instruments are granted or liabilities arising from equity instruments are incurred to obtain services from employees or other parties. The Company's share-based payments are classified as equity-settled share-based payments and cash-settled share-based payments.

The Company's share-based payments are classified as equity-settled share-based payments and cash-settled share-based payments.

(1) Equity-settled share-based payments and equity instruments

Equity-settled share-based payments, which are exchanged for services rendered by employees, are measured at the fair value of the equity instruments granted. When the Company grants share-based payments in the form of restricted stock, employees contribute capital to subscribe for the shares, which may not be listed for trading or transferred until vesting conditions are satisfied and the shares are unlocked. If the vesting conditions specified in the equity incentive plan are ultimately not met, the Company repurchases the shares at a predetermined price.Upon receiving payments from employees for subscribing to restricted shares, the Company recognizes equity and capital surplus (share premium) based on the subscription proceeds received. Concurrently, it fully recognizes a liability for the repurchase obligation and records treasury shares.At each balance sheet date during the vesting period, the Company makes its best estimate of the number of vesting equity instruments based on subsequent information such as changes in the number of eligible employees and whether specified performance conditions have been met. Based on this estimate, the Company recognizes the services received during the period as related costs or expenses at the fair value on the grant date, correspondingly increasing capital surplus.After the vesting date, no further adjustments are made to the recognized related costs or expenses or the total owners' equity. However, for grants that vest immediately upon grant, the related costs or expenses are recognized at fair value on the grant date, with a corresponding increase in capital surplus. For share-based payments that ultimately fail to vest, no costs or expenses are recognized unless the vesting condition is a market condition or a non-vesting condition. . In such cases, the share-based payment is deemed exercisable if all non-market conditions are satisfied, regardless of whether market conditions or non-exercise conditions are met.

If the terms of an equity-settled share-based payment are modified, the service received is recognized at least as if the original terms had remained unchanged. Additionally, any modification that increases the fair value of the granted equity instruments, or any change favorable to the employee at the modification date, results in the recognition of additional service received.

If an equity-settled share-based payment is canceled, it is treated as an accelerated vesting event on the cancellation date, and the unrecognized amount is recognized immediately.If an employee or other party elects to satisfy non-vesting conditions that were not satisfied during the vesting period, this is treated as a cancellation of the equity-settled share-based payment. However, if new equity instruments are granted and it is determined on the grant date of the new instruments that they are intended to replace the cancelled instruments, the replacement instruments are treated in the same manner as modifications to the terms and conditions of the original instruments.

(2) Cash-settled share-based payments and equity instruments

Cash-settled share-based payments are measured at the fair value of the liability determined based on the shares or other equity instruments assumed by the Company.If the grant is immediately exercisable, the fair value of the liability assumed is recognized as an expense or cost on the grant date, with a corresponding increase in the liability. If the grant is exercisable only upon completion of service during a vesting period or fulfillment of specified performance conditions, the fair value of the liability assumed is recognized as an expense or cost for the period based on the best estimate of the vesting probability, with a corresponding increase in the liability.At each balance sheet date prior to settlement of the related liability and at the settlement date, the fair value of the liability is remeasured, with any changes recognized in profit or loss for the period.

33. Other Financial Instruments such as Preferred Stock and Perpetual Bonds

√ Applicable ☐ Not applicable

The Company classifies the financial instruments at initial recognition as financial assets, financial liabilities, or equity instruments based on the contractual terms of the issued preferred shares/perpetual debt and their economic substance, rather than solely on their legal form.

The Company classifies these financial instruments as financial assets, financial liabilities, or equity instruments at initial recognition.

Financial instruments such as perpetual debt/preferred shares issued by the Company shall be classified as financial liabilities in their entirety or in part upon initial recognition if they meet any of the following conditions:

(1) The Company has a contractual obligation that it cannot unconditionally avoid by delivering cash or other financial assets;

(2) The instrument contains a contractual obligation to settle by delivering a variable number of the Company's own equity instruments;

(3) Includes derivatives settled in the Company's own equity instruments (e.g., warrants), where such derivatives are not settled by exchanging a fixed number of the Company's own equity instruments for a fixed amount of cash or other financial assets;

(4) The contract contains terms that indirectly create a contractual obligation;

(5) Perpetual debt instruments that rank pari passu with the issuer's ordinary bonds and other liabilities in the event of the issuer's liquidation.

Perpetual debt instruments/preferred shares and other financial instruments that do not meet any of the above criteria shall be classified as equity instruments in their entirety or in their constituent parts upon initial recognition.

34. Revenue

(1). Accounting policies for revenue recognition and measurement disclosed by business type

√ Applicable □ Not applicable

(1) Accounting policies applied for revenue recognition and measurement

The Company recognizes revenue when it fulfills its performance obligations under a contract, i.e., when the customer obtains control of the relevant goods or services. Obtaining control of the relevant goods or services means being able to direct the use of the goods or services and obtain substantially all of the economic benefits from them.

Where a contract contains two or more performance obligations, the Company allocates the transaction price to each performance obligation at the contract commencement date in proportion to the relative amounts of the separate selling prices of the goods or services promised for each obligation. The Company measures revenue based on the transaction price allocated to each performance obligation.

The transaction price is the amount of consideration the Company expects to be entitled to receive for transferring goods or services to the customer, excluding amounts collected on behalf of third parties and amounts expected to be refunded to the customer. The Company determines the transaction price based on the contract terms and its past practices, considering factors such as variable consideration, significant financing components in the contract, non-cash consideration, and consideration payable to customers.The Company determines the transaction price for contracts with variable consideration at an amount not exceeding the cumulative revenue recognized when the related uncertainty is resolved, provided that a significant reversal is highly unlikely. For contracts with significant financing components, the Company determines the transaction price based on the amount that would be payable if the customer paid cash upon obtaining control of the goods or services. The

difference between this transaction price and the contract consideration is amortized over the contract period using the effective interest method.

A performance obligation is considered to be satisfied over time if any of the following conditions are met; otherwise, it is considered to be satisfied at a point in time:

:

- The customer obtains and consumes the economic benefits arising from the Company's performance at the same time as the Company performs.
- The customer can control the goods under construction during the Company's performance.

- The goods produced during the Company's performance have a non-substitutable use, and the Company has the right to collect payments for the portion of performance completed to date throughout the contract period.

accumulated payments for the completed portion of the performance to date.

For performance obligations fulfilled over time, the Company recognizes revenue over that period based on the stage of completion, except when the stage of completion cannot be reasonably determined. The Company determines the stage of completion using either the output method or the input method, considering the nature of the goods or services. When the stage of completion cannot be reasonably determined, if the costs incurred are expected to be recoverable, the Company recognizes revenue based on the amount of costs incurred until the stage of completion can be reasonably determined.

For performance obligations fulfilled over time, the Company recognizes revenue when the customer obtains control of the relevant goods or services. In determining whether the customer has obtained control, the Company considers the following indicators:

- The Company has a present right to receive payment for the goods or services, meaning the customer has a present obligation to pay for them.
- The Company has transferred legal title of the goods to the customer, meaning the customer has legal ownership of the goods.
- The Company has transferred physical possession of the goods to the customer, meaning the customer has physical possession of the goods.
- The Company has transferred the significant risks and rewards of ownership of the goods to the customer, meaning the customer has assumed the significant risks and rewards of ownership of the goods.
- The customer has accepted the goods or services, etc.

（2） Specific Accounting Policies of the Company

The Company recognizes product sales revenue as either export sales revenue or domestic sales revenue. For export sales revenue, revenue is recognized when the goods clear customs and are shipped. For domestic sales revenue, revenue is recognized based on the nature of the product:

a. Revenue from motors and control devices, batteries, inverters, etc., is recognized when goods are shipped and a delivery receipt is obtained. However, if the contract requires acceptance inspection, revenue is recognized upon successful inspection.

b. Photovoltaic power generation business: Revenue is recognized upon receipt of electricity bill settlement statements;

c. For trading operations, revenue is recognized upon issuance of the delivery note and goods leaving the warehouse.

(2). Different business models for similar operations involve distinct revenue recognition methods and measurement approaches.

□ Applicable √ Not Applicable

35. Contract Costs

√ Applicable □ Not Applicable

Contract costs include contract fulfillment costs and contract acquisition costs.

Costs incurred by the Company to fulfill a contract, which do not fall within the scope of relevant standards such as inventory, fixed assets, or intangible assets, are recognized as an asset under contract fulfillment costs when the following conditions are met:

- The cost is directly attributable to a current or expected contract.
- The cost increases the resources available to the Company for fulfilling its performance obligations in the future.
- The costs are expected to be recoverable.

Incremental costs incurred by the Company to obtain a contract are recognized as an asset as contract acquisition costs if their recovery is expected.

Assets related to contract costs shall be amortized on the same basis as the revenue from the related goods or services; however

For contract acquisition costs with an amortization period not exceeding one year, the Company recognizes them in profit or loss when incurred.

For assets related to contract costs, if the carrying amount exceeds the difference between the following two items, the Company recognizes an impairment loss on the excess amount:

(1) The remaining consideration expected to be received from the transfer of the goods or services related to the asset;

(2) The estimated costs expected to be incurred to transfer the related goods or services.

If factors that caused impairment in prior periods subsequently change such that the aforementioned difference exceeds the asset's carrying amount, the Company reverses the previously recognized impairment loss and recognizes it in profit or loss for the period. However, the asset's carrying amount after reversal shall not exceed the carrying amount that would have been recognized for the asset on the reversal date had no impairment loss been recognized.

36. Government Grants

√ Applicable □ Not Applicable

(1) Type

Government grants are monetary or non-monetary assets received by the Company from the government without consideration. They are classified as asset-related government grants and income-related government grants.

Asset-related government grants refer to grants received by the Company for the acquisition, construction, or other formation of long-term assets. Income-related government grants refer to grants other than those related to assets.

The Company classifies government grants as asset-related based on the following specific criteria: the government grant approval document explicitly states that the grant is for the acquisition, construction, or other formation of long-term assets.

The Company classifies government grants as income-related based on the following specific criteria: the government grant approval document explicitly states that the grant is for purposes other than constructing, acquiring, or otherwise forming long-term assets.

For government grants where the recipient is not explicitly specified in the government document, the Company determines whether the grant is asset-related or income-related based on whether it is used to acquire, construct, or otherwise form long-term assets.

(2) Recognition Timing

For general government grants, the Company recognizes the grant upon receipt. For government grants where the amount can be reliably estimated based on relevant policies or regulations and subsequent receipt is probable, the Company recognizes the grant when the right to receive the payment is established under the policy.

(3) Accounting Treatment

Asset-related government grants are deducted from the carrying amount of the related asset or recognized as deferred income. When recognized as deferred income, it is allocated over the useful life of the related asset using a reasonable and systematic method to current period profit or loss (included in other income if related to the Company's ordinary activities; included in non-operating income if unrelated to the Company's ordinary activities).

Government grants related to income that compensate for the Company's future costs, expenses, or losses are recognized as deferred income. They are recognized in profit or loss during the period when the related costs,

expenses, or losses are recognized (included in other income if related to the Company's ordinary activities; included in non-operating income if unrelated to the Company's ordinary activities) or offset against the related costs, expenses, or losses.

The Company's policy-based preferential loan interest subsidies are accounted for separately under the following two scenarios:

; those unrelated to the Company's ordinary activities are recognized as non-operating income) or offset against the related costs, expenses, or losses. Policy-based preferential loan interest subsidies obtained by the Company are accounted for separately under the following two scenarios:

1) When the finance department allocates the interest subsidy funds to the lending bank, which then provides loans to the Company at the preferential policy interest rate, the Company shall record the actual amount of the loan received as the carrying amount of the loan and calculate the related borrowing costs based on the principal amount of the loan and the preferential policy interest rate.

2) Where the fiscal authority disburses the interest subsidy funds directly to the Company, the Company shall offset the corresponding interest subsidy against the related borrowing costs.

37. Deferred Income Tax Assets/Deferred Income Tax Liabilities

√ Applicable ☐ Not applicable

For deductible temporary differences recognized as deferred tax assets, the amount of deferred tax assets shall be limited to the future taxable income likely to be available to offset the deductible temporary differences. For deductible losses and tax credits that can be carried forward to future years, the amount of deferred tax assets shall be limited to the future taxable income likely to be available to offset t

For deductible temporary differences, deferred tax assets are recognized to the extent that it is probable that future taxable income will be available to utilize the deductible temporary differences. For deductible losses and tax credits that can be carried forward to future years, deferred tax assets are recognized to the extent that it is probable that future taxable income will be available to utilize the deductible losses and tax credits.

For taxable temporary differences, deferred tax liabilities are recognized except in special circumstances.

Exceptions to recognizing deferred tax assets or liabilities include: initial recognition of goodwill; and other transactions or events that, at the time they occur, affect neither accounting profit nor taxable income (or deductible losses), other than business combinations.

Current income tax assets and current income tax liabilities are reported on a net basis when there is a legally enforceable right to net settlement and an intention to settle on a net basis or to receive the asset and settle the liability simultaneously.

When there is a legal right to net settlement of current income tax assets and current income tax liabilities, and the deferred income tax assets and deferred income tax liabilities relate to income taxes levied by the same tax authority on the same taxpayer or relate to different taxpayers,but in each future period in which a significant amount of the deferred income tax asset or liability is expected to be recovered or settled, the taxpayer intends to settle the current income tax assets and liabilities on a net basis or simultaneously acquire assets and settle liabilities, deferred income tax assets and deferred income tax liabilities are reported at their net amount after offsetting.

38. Leases

√ Applicable ☐Not Applicable

Criteria for determining simplified treatment and accounting methods for short-term leases and leases of low-value assets as a lessee

√ Applicable ☐Not applicable

For short-term leases with a lease term not exceeding 12 months and low-value asset leases where the leased

asset is new

For such leases, the Company elects not to recognize a right-of-use asset or lease liability. Lease payments for short-term leases and low-value asset leases are allocated over the lease term using the straight-line method or another systematic and consistent method to increase the cost of related assets or to recognize an expense in the current period.

Lease Classification Criteria and Accounting Treatment as a Lessor

√ Applicable □Not Applicable

Based on the assessment of whether the contract is a lease or contains a lease, the Company, as a lessor, classifies leases at the commencement date as finance leases

If a lease substantially transfers substantially all the risks and rewards incidental to ownership of the leased asset, the lessor will recognize the asset as a finance lea

If a lease substantially transfers substantially all the risks and rewards incidental to ownership of the leased asset, the lessor classifies the lease as a finance lease.

as a finance lease; all other leases are classified as operating leases.

The Company generally classifies a lease as a finance lease if one or more of the following conditions exist: ① Ownership of the leased asset is transferred to the lessee at the end of the lease term; ② The lessee has an option to purchase the leased asset at a purchase price that is sufficiently low compared to the fair value of the leased asset at the expected exercise date, such that it is reasonably certain at the lease commencement date that the lessee will exercise the option;③ Although ownership does not transfer, the lease term covers a significant portion of the asset's useful life (at least 75%); ④ At the lease commencement date, the present value of lease payments approximates the asset's fair value (at least 90%); ⑤ The leased asset is specialized and can be used effectively only by the lessee without significant modification.The Company may also classify a lease as a finance lease if one or more of the following indications exist: ① If the lessee cancels the lease, the lessor incurs a loss attributable to the lessee; ② Gains or losses arising from fluctuations in the fair value of the residual value of the asset are attributable to the lessee; ③ The lessee has the ability to continue the lease into the next period at a significantly lower rental rate than market rates.

1） Initial Measurement of Finance Lease Accounting Treatment

At the commencement date of the lease term, the Company recognizes a receivable under the finance lease and derecognizes the finance lease asset. When initially measuring the receivable under the finance lease, the Company uses the net lease investment as the carrying amount of the receivable.

The net lease investment represents the sum of the present value of the unguaranteed residual value and the present value of lease payments not yet received at the commencement date, discounted at the implicit interest rate of the lease.Lease payments are the amounts the lessor is entitled to receive from the lessee for the transfer of the right to use the leased asset during the lease term. They include: ① fixed payments and effectively fixed payments payable by the lessee; where lease incentives exist, the related amounts are deducted; ② variable lease payments dependent on an index or rate, determined at initial measurement based on the index or rate prevailing at the commencement date of the lease term;③ The exercise price of a purchase option, provided it is reasonably certain that the lessee will exercise that option; ④ Payments required to exercise a termination option, provided the lease term reflects the lessee's exercise of that option; ⑤ Residual value guarantees provided to the lessor by the lessee, a party related to the lessee, or an independent third party with the financial capacity to fulfill the guarantee obligation.

Subsequent Measurement

The Company calculates and recognizes interest income for each period within the lease term using a fixed periodic interest rate. This periodic rate refers to the discount rate used to determine the net investment in the lease (in the case of a sublease, if the embedded interest rate of the sublease cannot be determined, the discount rate of the original lease is used, adjusted for initial direct costs related to the sublease), or the revised discount rate determined in accordance with relevant regulations when a modification to a finance lease is not accounted for as a separate lease and satisfies the condition that if the modification had been effective at the lease commencement date,the revised discount rate determined in accordance with relevant regulations.

Accounting Treatment for Lease Modifications

When a finance lease undergoes a modification that simultaneously meets the following conditions, the Company accounts for the modification as a separate lease:

① The modification expands the scope of the lease by adding one or more lease assets; ② The additional consideration is equivalent to the separate price of the expanded portion of the lease scope, adjusted for the specific circumstances of the contract.

If a modification to a finance lease is not accounted for as a separate lease and the lease would have been classified as a finance lease had the modification been effective at the lease commencement date, the lease would be classified as an operating lease, the Company accounts for it as a new lease from the effective date of the modification. The carrying amount of the leased asset is the net investment in the lease prior to the effective date of the modification.

2) Accounting for Operating Leases Treatment of Rentals

The Company recognizes rental income from operating leases using the straight-line method over the lease term. Incentives Provided

Where a rent-free period is provided, the Company allocates the total rent over the entire lease term using the straight-line method without deducting the rent-free period, and recognizes rent income during the rent-free period. Where the Company bears certain costs of the lessee, it deducts such costs from the total rent income and allocates the resulting balance of rent income over the lease term.

Initial Direct Costs

Initial direct costs incurred by the Company in connection with operating leases shall be capitalized into the cost of the leased asset and amortized over the lease term on the same basis as rental income is recognized.

Depreciation

For fixed assets under operating leases, the Company applies depreciation policies similar to those for comparable assets. For other operating lease assets, amortization is performed using a systematic and rational method.

Variable Lease Payments

Variable lease payments related to operating leases that are not included in lease receivables are recognized in profit or loss when incurred.

Modifications to Operating Leases

When an operating lease is modified, the Company accounts for the modified lease as a new lease from the effective date of the modification. Prepaid or receivable lease payments related to the original lease are treated as payments under the new lease.

39. Other Significant Accounting Policies and Estimates

√ Applicable □ Not applicable

Lease Liabilities

(1) Initial Measurement

The Company initially measures lease liabilities at the present value of lease payments outstanding at the commencement date of the lease term.

1) Lease Payments

Lease payments refer to amounts paid by the Company to the lessor for the right to use the leased asset during the lease term, including: ① Fixed payments and effectively fixed payments, less any lease incentives where applicable; ② Variable lease payments dependent on an index or rate, determined at initial measurement based on the index or rate prevailing at the commencement date of the lease term; ③ The exercise price of a purchase option when the Company reasonably determines it will exercise such option;④ The amount payable upon exercising the termination option when the lease term reflects the Company's intention to exercise such option; ⑤ The estimated amount payable based on the residual value guarantee provided by the Company.

2) Discount Rate

When calculating the present value of lease payments, the Company uses the implicit lease rate as the discount rate. This rate is the rate that equates the present value of the lessor's lease receipts plus the present value of the unguaranteed residual value to the sum of the fair value of the leased asset and the lessor's initial direct costs.Where the Company is unable to determine the implicit interest rate, it uses the incremental borrowing rate as the discount rate. This incremental borrowing rate is the rate the Company would pay to borrow funds for a similar period, under similar collateral conditions, to acquire assets of comparable value to the right-of-use asset in a similar economic environment. This rate relates to the following factors: ① The Company's own circumstances, namely the Group's debt-paying capacity and credit standing; ② The term of the "borrowing," i.e., the lease term;③ The amount of funds "borrowed," i.e., the amount of the lease liability; ④ The "collateral conditions," i.e., the nature and quality of the underlying asset; ⑤ The economic environment, including the jurisdiction in which the lessee operates, the currency of measurement, and the timing of the contract. The Company derives this incremental borrowing rate by adjusting bank lending rates based on the aforementioned factors.

(2) Subsequent Measurement

After the commencement date of the lease term, the Company measures the lease liability subsequently in accordance with the following principles: ① When recognizing interest on the lease liability, increase the carrying amount of the lease liability; ② When making lease payments, decrease the carrying amount of the lease liability; ③ When lease payments change due to revaluation or lease modifications, remeasure the carrying amount of the lease liability.

The Company calculates interest expense on the lease liability for each period during the lease term using a fixed periodic interest rate and recognizes it in profit or loss for the period, except where capitalization is required. The periodic interest rate refers to the discount rate used by the Company for the initial measurement of the lease liability, or the revised discount rate used when the lease liability is remeasured due to changes in lease payments or lease modifications.

(3) Re-measurement

After the commencement date of the lease term, the Company remeasures the lease liability based on the present value of the revised lease payments when any of the following circumstances occurs, and accordingly adjusts the carrying amount of the right-of-use asset. If the carrying amount of the right-of-use asset has been reduced to zero but the lease liability requires further reduction, the Company recognizes the remaining amount in profit or loss for the period.① Change in the amount of a fixed payment (discounted using the original discount rate); ② Change in the estimated amount payable for the residual value guarantee (discounted using the original discount rate); ③ Change in the index or ratio used to determine the lease payment (discounted using the revised discount rate);④ Changes in the assessment of the purchase option (in this case, discounted using the revised discount rate); ⑤ Changes in the assessment or actual exercise of the renewal option or termination option (in this case, discounted using the revised discount rate).

Hedge Accounting

(1) Classification of Hedging

1) A fair value hedge is a hedge of the fair value changes of a recognized asset or liability, or a firm commitment that has not yet been recognized (except for foreign currency risk).

2) Cash flow hedge refers to a hedge of the risk of changes in cash flows arising from a particular type of risk associated with a recognized asset or liability, a probable forecast transaction, or the foreign exchange risk inherent in an unrecognized firm commitment. 3) Net investment hedge in a foreign operation refers to a hedge of the foreign exchange risk associated with the net investment in a foreign operation. The net investment in a foreign operation is

the share of net assets in a foreign operation held by an enterprise.

（2） Designation of Hedging Relationships and Determination of Hedging Effectiveness

At the inception of a hedging relationship, the Company formally designates the relationship and prepares formal written documentation regarding the hedging relationship, risk management objectives, and hedging strategy. This documentation specifies the nature and quantity of the hedging instrument, the nature and quantity of the hedged item, the nature of the hedged risk, the type of hedge, and the Company's assessment of the hedging instrument's effectiveness.Hedge effectiveness refers to the extent to which changes in the fair value or cash flows of the hedging instrument offset changes in the fair value or cash flows of the hedged item arising from the hedged risk.

The Company continuously evaluates hedge effectiveness to determine whether the hedge meets the effectiveness requirements for hedge accounting during the accounting period in which the hedging relationship is designated. If the requirements are not met, the hedging relationship is discontinued.

The application of hedge accounting shall comply with the following hedge effectiveness requirements:

1） There must be an economic relationship between the hedged item and the hedging instrument.

2） The impact of credit risk is not predominant in the value changes arising from the economic relationship between the hedged item and the hedging instrument.

3） An appropriate hedge ratio is used, which does not create an imbalance in the relative weighting of the hedged item and the hedging instrument, thereby producing accounting results inconsistent with the objectives of hedge accounting. If the hedge ratio is no longer appropriate but the hedging risk management objective remains unchanged, the quantity of the hedged item or the hedging instrument should be adjusted to restore the hedge ratio to one that meets the requirements for effectiveness.

（3） Hedge Accounting Methods

1） Fair Value Hedge

Changes in the fair value of the hedging derivative are recognized in profit or loss for the period. Changes in the fair value of the hedged item attributable to hedged risk are recognized in profit or loss for the period, while simultaneously adjusting the carrying amount of the hedged item.

For fair value hedges related to financial instruments measured at amortized cost, adjustments to the carrying amount of the hedged item are amortized over the remaining period from the adjustment date to maturity and recognized in profit or loss.Amortization using the effective interest method may commence immediately after the adjustment to the carrying amount and shall not be delayed beyond the date on which the hedged item ceases to be subject to adjustments for changes in fair value attributable to the hedged risk.

If the hedged item is derecognized, the unamortized fair value is recognized in profit or loss for the period.

Where the hedged item is an unrecognized firm commitment, the cumulative fair value changes of that firm commitment attributable to the hedged risk are recognized as an asset or liability, with the related gains or losses recognized in profit or loss for the period. Changes in the fair value of the hedging instrument are also recognized in profit or loss for the period.

2） Cash Flow Hedges

The portion of gains or losses on the hedging instrument attributable to effective hedging is recognized directly in other comprehensive income, while the portion attributable to ineffective hedging is recognized in profit or loss for the period.

If the hedged transaction affects profit or loss for the period, such as when the hedged financial income or financial expense is recognized or an anticipated sale occurs, the amount recognized in other comprehensive income is transferred to profit or loss for the period.If the hedged item is the cost of a non-financial asset or non-financial liability, the amount previously recognized in other comprehensive income is removed and included in the initial recognition amount of that non-financial asset or non-financial liability (or, if previously recognized in other comprehensive income, removed in the same period that the non-financial asset or non-financial liability affects profit or loss and included in profit or loss for the period).

If the forecast transaction or firm commitment is no longer expected to occur, the cumulative gain or loss on the hedging instrument previously recognized in other comprehensive income is reversed and recognized in profit or loss for the period.

losses on the hedging instrument previously recognized in other comprehensive income are transferred to profit or loss for the period. If the hedging instrument has expired, been sold, terminated, or exercised (but not replaced or extended), or if the designation of the hedging relationship has been revoked, the amount previously recognized in other comprehensive income is not transferred until the forecasted transaction or firm commitment affects profit or loss for the period.

3） Hedges of Net Investment in Foreign Operations

Hedges of a net investment in a foreign operation, including hedges of monetary items that form part of the net investment, are treated similarly to cash flow hedges. The portion of gains or losses on the hedging instrument that is determined to be effective is recognized in other comprehensive income, while the ineffective portion is recognized in profit or loss for the period. Upon disposal of the foreign operation, any cumulative gain or loss recognized in other comprehensive income is reclassified to profit or loss for the period.

Fair Value Measurement

When the Company measures relevant assets or liabilities at fair value, it is based on the following assumptions:

- Transactions involving the sale of assets or transfer of liabilities by market participants on the measurement date are orderly transactions under current market conditions;

- Orderly transactions to sell assets or transfer liabilities occur in the principal market for the relevant asset or liability. Where no principal market exists, the transaction is assumed to occur in the most advantageous market for the relevant asset or liability.

- Assumptions used by market participants to maximize their economic benefits when pricing the asset or liability are adopted.

When measuring non-financial assets at fair value, the Company considers the ability of market participants to generate economic benefits from the asset's best use, or from selling the asset to other market participants who can achieve its best use.

The Company considers valuation techniques that are appropriate in the current circumstances and supported by sufficient available data and other information. Inputs to valuation techniques prioritize relevant observable inputs. Unobservable inputs may only be used when relevant observable inputs are unavailable or impractical to obtain.

Inputs used in fair value measurement are categorized into three levels:

- Level 1 inputs are unadjusted quoted prices for identical assets or liabilities in active markets that are observable at the measurement date.

- Level 2 inputs are inputs other than Level 1 inputs that are observable for the asset or liability, either directly or indirectly.

- Level 3 inputs are unobservable inputs for the asset or liability.

The level to which a fair value measurement result belongs is determined by the lowest level to which inputs that are significant to the overall fair value measurement belong.

Related Parties

A related party exists when one party controls, jointly controls, or exerts significant influence over another party, or when two or more parties are controlled or jointly controlled by the same party. Related parties may be individuals or entities. Entities solely under state control without other related party relationships do not constitute related parties of the Company.

The Company's related parties include but are not limited to:

(1) The Company's parent company;

(2) The Company's subsidiaries;

(3) Other enterprises controlled by the same parent company as the Company;

(4) Joint ventures or associates with other enterprises controlled by the same parent company as the Company;

(5) Investors exercising joint control over the Company;

(6) Investors exercising significant influence over the Company;

(7) The Company's joint ventures, including subsidiaries of such joint ventures;

(8) Associates of the Company, including subsidiaries of such associates;

(9) Major individual investors of the Company and their closely related family members;

(10) Key management personnel of the Company or its parent company and their closely related family members;

(11) Other entities controlled or jointly controlled by the Company's major individual investors, key management personnel, or their closely related family members.

40. Changes in Significant Accounting Policies and Accounting Estimates

(1). Changes in Significant Accounting Policies

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Details and Reasons for Accounting Policy Change	Name of Statement Item Significantly Affected	Impacted Amount
The Company has reclassified warranty-related quality assurance expenses that do not constitute a single performance obligation from "Selling Expenses" to "Cost of Sales."	See "Other Notes" for details.	-

Other Notes:

Interpretation No. 18 of the Accounting Standards for Business Enterprises, issued by the Ministry of Finance on December 6, 2024, explicitly stipulates that for warranty-related quality assurance costs not constituting individual performance obligations,

When accounting for estimated liabilities arising from warranty obligations under quality guarantees, enterprises shall, in accordance with the relevant provisions of Accounting Standard for Business Enterprises No. 13—Contingent Liabilities, debit accounts such as "Cost of Main Business Operations" ( ), "Other Costs" ( ), and "Other Operating Costs" ( ) based on the determined estimated liability amount, and credit accounts such as "Estimated Liabilities" ( ) and "Other Operating Costs" ( ).In accordance with the aforementioned provisions and requirements, the company will reclassify warranty-related quality assurance expenses from "Selling Expenses" to "Cost of Sales." The company will implement Interpretation No. 18 of the Accounting Standards for Business Enterprises effective January 1, 2024.

As a result of implementing this interpretation, the Company has retrospectively adjusted comparative period financial statements. The primary impact of this accounting policy change on the Company's 2023 financial statements is as follows (increase/decrease):

Unit: RMB yuan

Content and Reason for Accounting	Name of Statement Item	Impact Amount on 2023 Financial Statements

Policy Change	Significantly Affected	Consolidated	Parent Company
The Company has reclassified warranty-related quality assurance expenses that do not constitute individual performance obligations from "Selling Expenses" to "Cost of Sales".	Cost of Sales	54,725,264.52	5,708,664.92
	Selling Expenses	-54,725,264.52	-5,708,664.92

(2). Significant Accounting Estimate Changes

□Applicable √Not Applicable

(3). New accounting standards or interpretations implemented for the first time in 2024 that require adjustments to the opening balance sheet of the year of initial application

□Applicable √Not Applicable

41. Other

□Applicable √

Not **applicable VI.**

Tax Items

1. Major Tax Categories and Rates

Major Tax Categories and Rates

√ Applicable □ Not Applicable

Tax Type	Tax Base	Tax Rate
Value-Added Tax	Domestic sales, provision of processing, repair, and maintenance services, as well as Imported goods, taxable modern services	13.00%, 9.00%, 6.00%, 3.00%
Excise Tax	Processing and Production of Lead-Acid Batteries	4.00%
Business Tax	-	-
Urban Maintenance and Construction Tax	Calculated based on the actual amount of VAT and consumption tax paid	7.00%, 5.00%
Corporate Income Tax	-	-
Education Surcharge	Levied based on actual VAT and consumption tax paid	3.00%
Local Education Surcharge	Levied based on the actual amount of VAT and consumption tax paid	2.00%

Note: The applicable taxes and corresponding rates (0.00%-24.00%) for overseas subsidiaries are determined based on the tax regulations of their respective countries or regions.

Disclosure of entities subject to different corporate income tax rates

√ Applicable □ Not applicable

Name of Taxpayer	Income Tax Rate (%)
Company, Jinan Electric Motor, Nanyang Explosion-Proof, Ouli Wolong, Qingjiang Electric Motor, Rongxin Transmission, Wolong Lighthouse, Wolong Shanghai Research Institute, Wuhu Wolong, Wuhan Electric Motor, Hill Robotics, Zhejiang Longchuang, Nanyang Industrial Drive, Nanyang Digital Technology	15.00
Chenzhou Hua'an, Servo Technology, Electrical System Engineering, Nanyang Heavy Machinery, Nanyang Agriculture & Animal Husbandry, Shaoxing New Energy, Wolong ZF,Zhejiang Electric Power, Wolong Supply Chain, Shanghai Energy Conservation, Zhejiang Energy Storage, Baotou Energy Storage, Shenzhen Energy Storage, Zhejiang International Trade, Zhejiang Shunyun, Zhejiang New Energy, Zhejiang Longneng, Zhuji Longneng, Xinchang Longneng, Duchang Longneng, Liangshan Longneng, Chizhou Longneng, Penglai Green Clean, Nanyang Longyuan, Shengzhou Longneng, Leizhou Longmu, Wolong Smart Hydrogen, Wolong Yong Magnetics, Wolong Management	25.00
Hainan Shunyun, Hangzhou Shunyun, Chongqing Shunyun, Shanxi Digitalization, Wolong Shanghai Sales, Qingdao Integration, Nanfang Technology, Nanyang Autopower, Shanghai Keshi, Ouli Drive, Zhejiang Precision, Zhejiang Longhong, Zhejiang Transmission, Zhejiang Maritime, Longchuang Testing, Shanghai Hill, Wolong Inard, Shangyu Shunfeng Electric Power, Shanghai Wolong Electric Drive,Henan Longchuang, New Energy Daming Banner, Ningbo Longneng, Shaoxing Longneng, Binhai Longneng, Lishui Longneng, Deqing Longneng, Quzhou Longneng, Wuhu Longneng, Tanghe Longneng, Xinye Longneng, Nanyang Longneng, Shenyang Haoyao, Shenyang Huanuan, Shenyang Junhui, Leling Ronghui, Zibo Jingyu, Xintai Runxi,Longneng GuiChi, Ruihong Huai'an, Longneng Kaifeng, Xinbaihui Taizhou, Quanhui Tongling, Longneng HuaiBin, Longneng DingNan, Longneng WanCheng, Jingneng Bo'ai, Longyuan Jinhu, Longmu Haikou, Longyuan Fuxin, Longyuan Xuzhou, Longyuan Funing, Longmu Taizhou, Longyuan Mengcheng, Longneng Yichun, Xuyang Tieling, Longneng, Wuhu Wolong, Huzhou Longneng, Huangshi Longneng, Fengtai Longmu, Fengxin Longneng, Hefei Longneng, Shiyan	20.00

Longneng, Bozhou Longneng, Huai'an Longneng, Guoyang Longyuan, Huanggang Longneng, Jianghua Longneng, Liaocheng Guoneng, Huai'an Longyuan, Fangcheng Longneng, Wolong Zhiheng, Zhejiang Zhongzhi, Suzhou Zhongyuan, Taizhou Longneng, Dongying Longneng, Jiangsu Lino,Yangzhou Longzhixing, Miluo Longneng, Yuan'an Longneng, Shanghai Longzhixing, Damangqi Longneng, Meishan Longneng, Luzhou Longneng, Wannian County Longneng, Lu'an Longneng, Jinhua Longneng, Bengbu Longneng, Yuncheng Longneng, Baotou Longneng, Suyu Longyuan Yuan, Mianzhu Longyuan, Nanjing Longmu	
Other Overseas Subsidiaries Note	9.50–24.00

Note: Overseas subsidiaries pay corporate income tax based on taxable income and applicable tax rates, ranging from 9.50% to 24.00%. The tax rate is determined by the jurisdiction where the subsidiary is registered.

2. Tax Incentives

√ Applicable □ Not Applicable

According to the "Catalogue of Corporate Income Tax Preferences for Public Infrastructure Projects" (Cai Shui [2008] No. 116) and the "Notice of the State Administration of Taxation on Corporate Income Tax Preferences for Public Infrastructure Projects Key Supported by the State" (Guo Shui Fa [2009] No. 80), new solar power generation projects approved by the government investment authorities are classified as public infrastructure projects key sup

Notice on Implementing Corporate Income Tax Preferences for Nationally Key Supported Public Infrastructure Projects (Guoshuifa [2009] No. 80), newly constructed solar power generation projects approved by government investment authorities are classified as nationally key supported public infrastructure projects.Enterprises engaged in the investment and operation of nationally key supported public infrastructure projects shall be exempt from corporate income tax for the first three years starting from the tax year in which the project first generates production and operation income, and shall be subject to a 50% reduction in corporate income tax for the fourth to sixth years.

According to the provisions of the Announcement of the Ministry of Finance and the State Taxation Administration on Tax and Fee Policies to Further Support the Development of Small and Micro Enterprises and Individual Industrial and Commercial Households (Announcement No. 12 of 2023 by the Ministry of Finance and the State Taxation Administration), from January 1, 2023, to December 31, 2027, the taxable income of small and low-profit enterprises shall be calculated at a reduced rate of 25%,and pay corporate income tax at a rate of 20%.

The Company passed the high-tech enterprise re-certification in 2023 and obtained the High-Tech Enterprise Certificate No. GR202333003742 jointly issued by the Zhejiang Provincial Department of Science and Technology, Zhejiang Provincial Department of Finance, Zhejiang Provincial State Taxation Bureau, and Zhejiang Provincial Local Taxation Bureau. It will enjoy a preferential high-tech enterprise tax rate of 15.00% from 2023 to 2025.

Nanyang Industrial Drive obtained the High-Tech Enterprise Certificate (No. GR202341000010) jointly issued by the Henan Provincial Department of Science and Technology, Henan Provincial Department of Finance, and the Henan Provincial Taxation Bureau of the State Taxation Administration in 2023. It will enjoy a preferential high-tech enterprise tax rate of 15.00% from 2023 to 2025.Jinan Electric Motor passed the high-tech enterprise re-certification in 2023, obtaining the High-Tech Enterprise Certificate No. GR202337000165 jointly issued by the Shandong Provincial Department of Science and Technology, Shandong Provincial Department of Finance, and the State Taxation Administration of Shandong Provincial Taxation Bureau. It will enjoy a preferential high-tech enterprise tax rate of 15.00% from

Shandong Provincial Taxation Bureau, with certificate number GR202337000165. It will enjoy a preferential high-tech enterprise tax rate of 15.00% from 2023 to 2025.

a preferential high-tech enterprise tax rate of 15.00% from 2023 to 2025.

Nanyang Explosion-Proof passed the high-tech enterprise re-certification in 2023, obtaining the High-Tech Enterprise Certificate No. GR202341001715 jointly issued by the Henan Provincial Department of Science and Technology, Henan Provincial Department of Finance, and the Henan Provincial Taxation Bureau of the State Taxation Administration. It will enjoy a preferential high-tech enterprise tax rate of 15.00% from 2023 to 2025.

Ouli Wolong passed the high-tech enterprise re-evaluation in 2023 and obtained the High-Tech Enterprise Certificate No. GR202333004344 jointly issued by the Zhejiang Provincial Department of Science and Technology, the Zhejiang Provincial Department of Finance, and the Zhejiang Provincial Taxation Bureau of the State Taxation Administration. It will enjoy a preferential high-tech enterprise tax rate of 15.00% from 2023 to 2025.

Qingjiang Electric Motor passed the 2022 re-evaluation as a high-tech enterprise, obtaining the High-Tech Enterprise Certificate (No. GR202232015877) jointly issued by the Jiangsu Provincial Department of Science and Technology, Jiangsu Provincial Department of Finance, and the State Taxation Administration of Jiangsu Province. The company will enjoy a preferential high-tech enterprise tax rate of 15.00% from 2022 to 2024.

Rongxin Transmission passed the high-tech enterprise re-evaluation in 2022, obtaining the high-tech enterprise certificate No. GR202221000866 jointly issued by the Liaoning Provincial Department of Science and Technology, the Liaoning Provincial Department of Finance, and the State Taxation Administration Liaoning Provincial Taxation Bureau. It will enjoy a preferential tax rate of 15.00% from 2022 to 2024.

Liaoning Provincial Taxation Bureau, jointly issued the High-Tech Enterprise Certificate No. GR202221000866. From 2022 to 2024, the company will enjoy a preferential high-tech enterprise tax rate of 15.00% from 2022 to 2024.

Wolong Lighthouse obtained the High-Tech Enterprise Certificate (No. GR202233002898) jointly issued by the Zhejiang Provincial Department of Science and Technology, Zhejiang Provincial Department of Finance, and the Zhejiang Provincial Taxation Bureau of the State Taxation Administration in 2022. It will enjoy a preferential high-tech tax rate of 15.00% from 2022 to 2024.

Wolong Shanghai Research Institute obtained the High-Tech Enterprise Certificate (No. GR202231007145) in 2022, jointly issued by the Shanghai Municipal Science and Technology Commission, Shanghai Municipal Finance Bureau, and State Taxation Administration Shanghai Taxation Bureau. It will enjoy a preferential high-tech enterprise tax rate of 15.00% from 2022 to 2024.

Wuhu Wolong obtained the High-Tech Enterprise Certificate (No. GR202234004412) jointly issued by the Anhui Provincial Department of Science and Technology, Anhui Provincial Department of Finance, and the State Taxation Administration of Anhui Province in 2022. It will enjoy a preferential high-tech tax rate of 15.00% from 2022 to 2024.

Wuhan Motor obtained the High-Tech Enterprise Certificate (No. GR202442002615) in 2024, issued jointly by the Hubei Provincial Department of Science and Technology, Hubei Provincial Department of Finance, and the Hubei Provincial Taxation Bureau of the State Taxation Administration. It will enjoy a preferential high-tech enterprise tax rate of 15.00% from 2024 to 2026.Hill Robotics obtained the High-Tech Enterprise Certificate (No. GR202333011357) jointly issued by the Zhejiang Provincial Department of Science and Technology, Zhejiang Provincial Department of Finance, and Zhejiang Provincial Taxation Bureau of the State Taxation Administration in 2023. with certificate number GR202333011357. It will enjoy a preferential high-tech enterprise tax rate of 15.00% from 2023 to 2025. Zhejiang Longchuang obtained the High-Tech Enterprise Certificate in 2023, jointly issued by the Zhejiang Provincial Department of Science and Technology, the Zhejiang Provincial Department of Finance, and the Zhejiang Provincial Taxation Bureau of the State Taxation Administration with certificate number GR202333007595. It will enjoy a preferential high-tech enterprise tax rate of 15.00% from 2023 to 2025. Nanyang Digitalization obtained the High-Tech Enterprise Certificate in 2024, jointly issued by the Henan Provincial Department of Science and Technology, the Henan Provincial Department of Finance, and the Henan Provincial Taxation Bureau of the State Taxation Administration. Certificate No. GR202441000194 for High-Tech Enterprise is hereby issued. The enterprise shall enjoy a preferential tax rate of 15.00% for the period from 2024 to 2026.

Transmission, Longchuang Testing, Shanghai Hill, Wolong Inard, Shangyu Shunfeng Electric Power, Shanghai Wolong Electric Drive, Henan Longchuang, New Energy Damang Banner, Hainan Shunyun, Hangzhou Shunyun, Zhejiang Precision, Ouli Drive, Shanghai Kesi,Wolong Shanghai Sales, Zhejiang Maritime, Chongqing Shunyun, Ningbo Longneng, Shaoxing Longneng, Binhai Longneng, Lishui Longneng, Deqing Longneng, Quzhou Longneng, Wuhu Longneng, Tanghe Longneng, Xinye Longneng, Nanyang Longneng, Shenyang Haoyao, Shenyang Huanuan, Shenyang Junhui, Leling Ronghui, Zibo Jingyu, Xintai Runxi,Guichi Longneng, Huai'an Ruihong, Kaifeng Longneng, Taizhou Xinbaihui, Tongling Quanhui, Huaibin Longneng, Dingnan Longneng, Wancheng Longneng, Bo'ai Jingneng, Jinhu Longyuan, Haikou Longmu, Fuxin Longyuan, Xuzhou Longyuan, Funing Longyuan, Taizhou Longmu, Mengcheng Longyuan, Yichun Longneng, Tieling Xuyang, Yugan Longneng,Wuhu Wolong, Huzhou Longneng, Huangshi Longneng, Fengtai Longmu, Fengxin Longneng, Hefei Longneng, Shiyan Longneng, Bozhou Longneng, Huai'an Longyuan, Lino

Shangyu Branch,Guoyang Longyuan, Suizhou Longneng, Huanggang Longneng, Jianghua Longneng, Liaocheng Guoneng, Fangcheng Longneng, Shanxi Digitalization, Henan Longchuang, Wolong Zhiheng,Zhejiang Zhongzhi, Zhejiang Zhongyuan. Pursuant to the Announcement of the Ministry of Finance and the State Taxation Administration on Further Supporting the Development of Small and Micro Enterprises and Individual Industrial and Commercial Households (State Taxation Administration Announcement No. 12 of 2023), from January 1, 2023, to December 31, 2027, the taxable income of small and low-profit enterprises shall be calculated at a reduced rate of 25% for corporate income tax purposes.

and pay corporate income tax at a rate of 20%.

From January 1, 2023, to December 31, 2027, small-scale VAT taxpayers, small low-profit enterprises, and individual businesses shall enjoy a 50% reduction in resource taxes (excluding water resource tax), urban maintenance and construction tax, property tax, urban land use tax, stamp tax (excluding securities transaction stamp tax), farmland occupation tax, and education surcharge and local education surcharge.

shall be halved for resource tax (excluding water resource tax), urban maintenance and construction tax, property tax, urban land use tax, stamp tax (excluding securities transaction stamp tax), farmland occupation tax, education surcharge, and local education surcharge.

According to the "Catalogue of Corporate Income Tax Preferences for Public Infrastructure Projects" (Cai Shui [2008] No. 116) and the "Notice of the State Administration of Taxation on Implementing Corporate Income Tax Preferences for Nationally Key Supported Public Infrastructure Projects" (Guo Shui Fa [2009] No. 80), newly constructed solar power generation projects approved by government investment authorities are classified as nationally key supported public infrastructure projects.Enterprises engaged in the investment and operation of nationally key supported public infrastructure projects shall be exempt from corporate income tax for the first three years starting from the tax year in which the project first generates production and operation income, and shall be subject to a 50% reduction in corporate income tax for the fourth to sixth years.

3. Other

□Applicable √ Not applicable

VII. Notes to Consolidated Financial Statements Items

1. Cash and Cash Equivalents

√Applicable □ Not applicable

Unit: RMB Currency: Renminbi

Item	Ending Balance	Opening Balance
Cash on Hand	1,124,363.90	948,207.22
Bank deposits	2,652,033,634.78	2,450,468,677.13
Other monetary funds	534,060,329.57	195,787,017.27
Deposits with financial companies	-	-
Total	3,187,218,328.25	2,647,203,901.62
Of which: Total funds held overseas	966,868,808.01	794,829,586.98

Additional Notes:

Of which, monetary funds subject to restrictions on usage due to mortgages, pledges, or freezes, as well as those held overseas with restrictions on repatriation, are detailed as follows:

as follows:

Item	Balance at End of Period	Balance at End of Previous Year
Time deposits or call deposits pledged as collateral	78,259.09	57,076,984.29
Bank Accepted Bill Margin	26,912,721.33	62,786,946.59
Letter of guarantee deposit	34,360,213.43	30,627,927.78
Letter of Credit Deposit	31,043,511.44	15,424,662.71
Bank Loan Collateral	12,750,424.50	12,562,939.12

Forward Foreign Exchange Margin	-	5,231,831.67
Time Deposits	377,777,656.65	4,284,722.57
Cash and cash equivalents frozen due to litigation	25,542,875.00	865,528.00
Performance bond	1,021.78	9,007.56
Check guarantee deposit	2,785,895.35	-
Total	511,252,578.57	188,870,550.29

2. Trading Financial Assets

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Item	Ending Balance	Opening Balance	Reason and Basis for Designation
Financial assets at fair value through profit or loss Financial Assets at Fair Value Through Profit or Loss	181,971,209.41	14,403,691.22	/
Of which:			
Equity Investments	181,971,209.41	14,403,691.22	/
Total	181,971,209.41	14,403,691.22	/

Additional Notes:

□ Applicable √ Not Applicable

3. Derivative Financial Assets

□ Applicable √

Not Applicable **4.**

Notes Receivable

(1). Classification of Notes Receivable

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Item	Ending Balance	Opening Balance
Bank Accepted Notes	7,845,951.38	46,735,855.99
Commercial Accepted Notes	223,181,461.17	119,629,195.11
Total	231,027,412.55	166,365,051.10

(2). Notes receivable pledged by the company at the end of the period

□ Applicable √ Not Applicable

(3). Notes receivable endorsed or discounted by the company at the end of the period that were not yet due on the balance sheet date

√ Applicable □ Not applicable

Unit: RMB Currency: Renminbi

Item	Amount derecognized at period end	Amount not derecognized at end of period
Bank Accepted Bills	-	3,469,299.12
Commercial Accepted Notes	-	215,261,633.36
Total	-	218,730,932.48

(4). Classified Disclosure by Bad Debt Provision Method

Unit: Yuan Currency: Renminbi

√ Applicable □ Not Applicable

Category	Ending Balance					Beginning Balance				
	Book Balance		Allowance for Doubtful Accounts		Book Value	Book Balance		Allowance for Doubtful Accounts		Book value
	Amount	Ratio (%)	Amount	Accrual Ratio (%)		Amount	Ratio (%)	Amount	Provision Ratio (%)	
Individual Allowance for Bad Debts	1,336,779.72	0.58	9,344.69	0.70	1,327,435.03	660,199.11	0.40	5,587.99	0.85	654,611.12
Of which:										
Other Commercial Accepted Bills	1,336,779.72	0.58	9,344.69	0.70	1,327,435.03	660,199.11	0.40	5,587.99	0.85	654,611.12
Provision for Bad Debts by Portfolio	229,699,977.52	99.42	-	-	229,699,977.52	165,710,439.98	99.60	-	-	165,710,439.98
Of which:										
Bank Accepted Bills	7,845,951.38	3.40	-	-	7,845,951.38	46,735,855.99	28.09	-	-	46,735,855.99
Commercial Accepted Bills	221,854,026.14	96.02	-	-	221,854,026.14	118,974,583.99	71.51	-	-	118,974,583.99
Total	231,036,757.24	/	9,344.69	/	231,027,412.55	166,370,639.09	/	5,587.99	/	166,365,051.10

Individual bad debt provision:

√ Applicable □ Not applicable

Unit: Yuan Currency: Renminbi

Name	Ending Balance			
	Book Balance	Allowance for Doubtful Accounts	Allowance Ratio (%)	Reason for Provision
Other Commercial Accepted Bills Portfolio	1,336,779.72	9,344.69	0.70	Weak customer performance capability
Total	1,336,779.72	9,344.69	0.70	/

Explanation of Individual Bad Debt Provision:

□ Applicable √ Not applicable

Provision for bad debts based on portfolio:

□Applicable √ Not applicable

Provision for bad debts based on the expected credit loss general model

☐Applicable √Not applicable

Basis for stage classification and bad debt provision ratio: None

Explanation of significant changes in the carrying amount of notes receivable resulting in changes to loss provisions during the current period:

☐ Applicable √ Not applicable

(5). Status of Allowance for Doubtful Accounts

√ Applicable ☐ Not applicable

Unit: Yuan Currency: Renminbi

Category	Opening Balance	Current Period Changes				Ending Balance Balance
		Accrued	Recovered or reversed	Write-off or Write-down	Other Changes	
Commercial Accepted Bills	5,587.99	6,692.11	2,935.41	-	-	9,344.69
Total	5,587.99	6,692.11	2,935.41	-	-	9,344.69

Significant amounts of bad debt provisions recovered or reversed during the current period:

☐ Applicable √ Not applicable

Other Notes:
None

(6). Actual write-offs of notes receivable during the current period

☐ Applicable √ Not applicable

Significant write-offs of notes receivable:

☐Applicable √Not applicable

Explanation of Write-off of Notes Receivable:

☐ Applicable √ Not Applicable

Other Notes:

☐ Applicable √ Not applicable

5. Accounts Receivable

(1). Disclosed by aging

Unit: CNY Currency: Renminbi

√ Applicable □ Not Applicable

Accounts Receivable Aging	Balance at End of Period	Opening Balance
Within 1 year		
Of which: Breakdown within 1 year		
Within 1 year (including 1 year)	4,684,047,817.02	4,268,972,774.30
Subtotal within 1 year	4,684,047,817.02	4,268,972,774.30
1 to 2 years	757,623,026.15	594,818,833.75
2 to 3 years	278,398,931.67	177,527,141.23
Over 3 years	-	-
3 to 4 years	110,216,370.71	177,011,642.67
4 to 5 years	102,171,637.68	95,579,645.09
Over 5 years	167,601,056.36	126,839,694.78
Total	6,100,058,839.59	5,440,749,731.82

(2). Classified Disclosure by Bad Debt Provision Method

Unit: Yuan Currency: Renminbi

√ Applicable □ Not Applicable

Category	Ending Balance					Beginning Balance				
	Book Balance		Allowance for Doubtful Accounts		Book Value	Book Balance		Allowance for Doubtful Accounts		Book value
	Amount	Ratio (%)	Amount	Accrual Ratio (%)		Amount	Ratio (%)	Amount	Provision Ratio (%)	
Individual Item Approach Bad Debt Allowance	1,215,571,305.83	19.93	185,966,378.35	15.30	1,029,604,927.48	1,232,003,053.51	22.64	187,085,468.58	15.19	1,044,917,584.93
Of which:										
Third-party separate	128,184,424.52	2.10	111,247,145.69	86.79	16,937,278.83	152,160,915.03	2.80	126,422,635.52	83.08	25,738,279.51

Category	Ending Balance					Beginning Balance				
	Book Balance		Allowance for Doubtful Accounts		Book Value	Book Balance		Allowance for Doubtful Accounts		Carrying Amount
	Amount	Ratio (%)	Amount	Accrual Ratio (%)		Amount	Ratio (%)	Amount	Provision Ratio (%)	
Accrual										
Overseas Company Receivables Receivables	1,087,386,881.31	17.83	74,719,232.66	6.87	1,012,667,648.65	1,079,842,138.48	19.84	60,662,833.06	5.62	1,019,179,305.42
Portfolio-based provisioning Allowance for Doubtful Accounts	4,884,487,533.76	80.07	445,606,650.61	9.12	4,438,880,883.15	4,208,746,678.31	77.36	392,388,605.77	9.32	3,816,358,072.54
Of which:										
Aging Analysis Method Portfolio	4,009,312,579.77	65.73	412,723,860.95	10.29	3,596,588,718.82	3,707,383,692.79	68.14	366,239,228.57	9.88	3,341,144,464.22
Photovoltaic Power Generation Customers Residential Portfolio	455,465,120.13	7.47	27,625,490.49	6.07	427,839,629.64	415,637,258.07	7.64	21,863,090.83	5.26	393,774,167.24
Energy Storage Business Customer Customer Portfolio	419,709,833.86	6.87	5,257,299.17	1.25	414,452,534.69	85,725,727.45	1.58	4,286,286.37	5.00	81,439,441.08
Total	6,100,058,839.59	/	631,573,028.96	/	5,468,485,810.63	5,440,749,731.82	/	579,474,074.35	/	4,861,275,657.47

Individual bad debt provision:

√ Applicable □ Not applicable

Unit: Yuan Currency: Renminbi

Name	Ending Balance			
	Book Balance	Allowance for Doubtful Accounts	Allowance Ratio (%)	Reason for Provision
Overseas Company Receivables	1,101,667,459.09	88,999,810.44	8.08	Customer operational risks
Parent Company Portion of Receivables	6,566,869.38	6,566,869.38	100.00	Expected to be Uncollectible
Nanyang Explosion-Proof Division Accounts Receivable	60,899,619.69	43,962,340.86	72.19	Expected to be Uncollectible
Liaoning Rongxin Partial Accounts Receivable	44,938,603.14	44,938,603.14	100.00	Expected to be Uncollectible
Longheng Partial Receivables	1,198,754.53	1,198,754.53	100.00	Expected to be Uncollectible
Ouli portion of accounts receivable	300,000.00	300,000.00	100.00	Expected to be uncollectible
Total	8,215,571,305.83	185,966,378.35	15.30	/

Explanation of Individual Bad Debt Provision:

□ Applicable √ Not applicable

Provision for bad debts based on portfolio classification:

√ Applicable □ Not applicable

Portfolio-based provisioning method: Aging analysis portfolio

Unit: Yuan Currency: Renminbi

Name	Ending Balance		
	Accounts Receivable	Allowance for Doubtful Accounts	Allowance Percentage (%)
Within 1 year (including 1 year)	3,127,910,749.96	156,395,537.45	5.00
1 to 2 years (including 2 years)	511,559,484.05	51,155,948.41	10.00
2 to 3 years (including 3 years)	187,978,154.28	56,393,446.29	30.00
3 to 4 years (including 4 years)	52,652,213.30	26,326,106.66	50.00
4 to 5 years (including 5 years)	33,795,780.20	27,036,624.16	80.00
Over 5 years	95,416,197.98	95,416,197.98	100.00
Total	4,009,312,579.77	412,723,860.95	-

Notes on Provision for Bad Debts by Portfolio:

√ Applicable □ Not applicable None

Portfolio-based provisioning item: Photovoltaic power generation customer portfolio

Unit: CNY Currency: Renminbi

Name	Ending Balance		
	Accounts Receivable	Allowance for Doubtful Accounts	Allowance Percentage (%)
Group 1	385,239,237.58	26,032,392.08	6.76
Portfolio 2	62,737,050.75	927,668.66	1.48
Combination 3	7,488,831.80	665,429.75	8.89
Total	455,465,120.13	27,625,490.49	-

Notes on Provision for Bad Debts by Portfolio:

√ Applicable □ Not applicable

1. Portfolio 1 consists of national and provincial subsidies for renewable energy.

2. Portfolio 2 consists of receivables for photovoltaic power generation fees and other amounts.

3. Portfolio 3 consists of local renewable energy subsidies.

Portfolio for Provisioning: Energy Storage Business Customer Portfolio

Unit: CNY Currency: Renminbi

Name	Ending Balance		
	Accounts Receivable	Allowance for Doubtful Accounts	Allowance Percentage (%)
Within 6 months (including 6 months)	386,459,833.86	1,932,299.17	0.50
7–12 months (including 12 months)	-	-	-
1–2 years (including 2 years)	33,250,000.00	3,325,000.00	10.00
Total	419,709,833.86	5,257,299.17	-

Notes on the provision for bad debts calculated by portfolio:

√ Applicable □ Not applicable

To more reasonably and accurately estimate the expected credit losses for each aging group of accounts receivable and contract assets,

, Zhejiang Energy Storage adjusted the bad debt provision ratio for accounts receivable and contract assets aged within 6 months from 5% to 0.5% in September 2024.

This adjustment resulted in an impact of RMB 18,651,856.03 on the Company's net profit attributable to owners of the parent.

Provision for bad debts calculated using the expected credit loss general model

□ Applicable √ Not applicable

Basis for stage classification and bad debt provision ratio: None

Explanation of significant changes in the carrying amount of accounts receivable resulting in changes to loss provisions during the current period:

□ Applicable √ Not applicable

(3). Status of Allowance for Doubtful Accounts

√ Applicable □ Not applicable

Unit: Yuan Currency: Renminbi

Category	Opening Balance	Current Period Change				Ending Balance
		Accrued	Recovered or Reversed	Write-off or Write-down	Other Changes	
Bad Debt Provision for Accounts Receivable	579,474,074.35	103,144,808.77	16,229,312.13	29,776,813.77	5,039,728.26	631,573,028.96
Provision for bad debts						
Total	579,474,074.35	103,144,808.77	16,229,312.13	29,776,813.77	5,039,728.26	631,573,028.96

Significant amounts of bad debt provisions recovered or reversed during the current period:

□ Applicable √ Not Applicable

Other Notes:

None

(4). Actual write-offs of accounts receivable during the current period

√ Applicable □ Not applicable

Unit: Yuan Currency: Renminbi

Project	Amount Written Off
Actual Write-off of Accounts Receivable	29,776,813.77

Details of Significant Accounts Receivable Write-offs

□ Applicable √ Not Applicable

Accounts Receivable Write-off Explanation:

☐ Applicable √ Not Applicable

(5). Top Five Accounts Receivable and Contract Assets by Debtor at Period-End

√ Applicable ☐ Not applicable

Unit: CNY Currency: Renminbi

Company Name	Accounts Receivable - Ending Balance	Contract Assets Balance at End of Period	Accounts Receivable and Contract Assets Ending Balance	Percentage of Total Balance of Accounts Receivable and Contract Assets at End of Period of Total Balance (%)	Balance of Allowance for Doubtful Accounts at End of Period
First Place	144,146,397.19	5,000,000.00	149,146,397.19	2.39	7,207,318.88
Second Place	100,924,028.74	6,417,054.14	107,341,082.88	1.72	536,705.41
Third Place	91,641,346.49	14,736,559.48	106,377,905.97	1.70	531,889.53
Fourth Place	90,749,076.00	10,777,800.00	101,526,876.00	1.63	507,634.38
Fifth	85,802,828.25	22,880,754.20	108,683,582.45	1.74	543,417.91
Total	513,263,676.67	59,812,167.82	573,075,844.49	9.18	9,326,966.11

Other Notes:
None

Other Notes:

☐Applicable √ Not applicable

6. Contract Assets

(1). Contract Assets Status

√ Applicable ☐ Not Applicable

Unit: Yuan Currency: Renminbi

Item	Ending Balance			Opening Balance		
	Book Balance	Allowance for Doubtful Accounts	Book Value	Book Balance	Allowance for Doubtful Accounts	Book value
Warranty Receivables	181,325,548.98	7,908,429.10	173,417,119.88	85,455,749.13	4,660,893.55	80,794,855.58
Accounts receivable not meeting collection criteria	10,192,355.01	509,617.75	9,682,737.26	1,434,240.03	71,712.00	1,362,528.03

Project	Ending Balance			Opening Balance		
	Book Balance	Allowance for Doubtful Accounts	Book Value	Book Balance	Allowance for Doubtful Accounts	Book value
Total	191,517,903.99	8,418,046.85	183,099,857.14	86,889,989.16	4,732,605.55	82,157,383.61

(2). Amount and reason for significant changes in book value during the reporting period

□ Applicable √ Not applicable

(3). Classified disclosure by bad debt provisioning method

√ Applicable □ Not applicable

Unit: RMB Currency: Renminbi

Category	Ending Balance					Beginning Balance				
	Book Balance		Allowance for Doubtful Accounts		Book Value	Book Balance		Allowance for Doubtful Accounts		Book value
	Amount	Ratio (%)	Amount	Accrual Ratio (%)		Amount	Ratio (%)	Amount	Provision Ratio (%)	
Allocation by Portfolio Allowance for Doubtful Accounts	191,517,903.99	100.00	8,418,046.85	4.40	183,099,857.14	86,889,989.16	100.00	4,732,605.55	5.45	82,157,383.61
Of which:										
Warranty deposits	181,325,548.98	94.68	7,908,429.10	4.36	173,417,119.88	85,455,749.13	98.35	4,660,893.55	5.45	80,794,855.58
Uncollected Receivables	10,192,355.01	5.32	509,617.75	5.00	9,682,737.26	1,434,240.03	1.65	71,712.00	5.00	1,362,528.03
Total	191,517,903.99	100.00	8,418,046.85	/	183,099,857.14	86,889,989.16	/	4,732,605.55	/	82,157,383.61

Provision for bad debts made on an individual basis:

□ Applicable √ Not applicable

Explanation for individual bad debt provisioning:

□ Applicable √ Not applicable

Conditional receivables

Collective impairment allowance:

□Applicable √Not applicable

Provisioning for bad debts using the expected credit loss general model

□Applicable √Not applicable

Criteria for stage classification and provisioning ratios: None

Explanation of significant changes in the carrying amount of contract assets for which loss provisions changed during the current period:

□Applicable √Not applicable

(4). Provisioning for bad debts on contract assets during the current period

√ Applicable □ Not applicable

Unit: Yuan Currency: Renminbi

Item	Opening Balance	Current Period Change				Ending Balance	Reason
		Current Period Accrual	Current Period Recovery or Reversal	Current Period Transfer /Write-off	Other Changes		
Warranty Receivables	4,660,893.55	3,247,535.55	-	-	-	7,908,429.10	-
Unsatisfied Receivables	71,712.00	509,617.75	71,712.00	-	-	509,617.75	-
Conditional receivables							
Total	4,732,605.55	3,757,153.30	71,712.00	-	-	8,418,046.85	/

Significant amounts of bad debt provisions recovered or reversed during the current period:

□ Applicable √ Not applicable

Other Notes: None

(5). Actual contract assets written off during the current period

□ Applicable √ Not applicable

Significant contract asset write-offs during the period:

□Applicable √Not applicable

Contract Asset Write-off Explanation:

□ Applicable √ Not Applicable

Other Notes:

□ Applicable √ Not Applicable

7. Receivables Financing

(1). Classification of Accounts Receivable Financing

√Applicable □Not Applicable

Unit: Yuan Currency: Renminbi

Item	Ending Balance	Opening Balance
Notes Receivable	613,521,773.72	995,220,960.79
Total	613,521,773.72	995,220,960.79

(2). Financing of Accounts Receivable Pledged by the Company at the End of the Period

□ Applicable √ Not Applicable

(3). Financing of accounts receivable endorsed or discounted by the company at the end of the period and not yet due on the balance sheet date

√ Applicable □ Not applicable

Unit: RMB Currency: Renminbi

Item	Amount derecognized at period end	Amount not derecognized at end of period
Notes Receivable	1,045,673,818.11	-
Total	1,045,673,818.11	-

(4). Classified Disclosure by Bad Debt Provision Method

□ Applicable √ Not applicable

Individual bad debt provisioning:

□Applicable √Not applicable

Explanation of individual bad debt provisioning:

□Applicable √Not applicable

Collective impairment allowance:

□Applicable √Not applicable

Provisioning for bad debts using the expected credit loss general model

□Applicable √Not applicable

Criteria for stage classification and bad debt provisioning ratios: None

Explanation of Significant Changes in the Carrying Amount of Accounts Receivable Financing Subject to Changes in Loss Allowances During the Current Period:

□ Applicable √ Not applicable

(5). Status of Allowance for Doubtful Accounts

□ Applicable √ Not applicable

Significant amounts of bad debt provisions recovered or reversed during the current period:

□ Applicable √ Not applicable

Other Notes:

None

(6). Actual write-offs of accounts receivable financing during the current period

☐ Applicable √ Not applicable

Significant Write-offs of Accounts Receivable Financing

☐ Applicable √ Not Applicable

Write-off Explanation:

☐ Applicable √ Not Applicable

(7). Changes in Accounts Receivable Financing During the Period and Fair Value Adjustments:

☐ Applicable √ Not Applicable

(8). Other Notes

☐ Applicable √

Not Applicable **8.**

Prepayments

(1). Prepayments are presented by aging.

√ Applicable ☐ Not applicable

Unit: Yuan Currency: Renminbi

Account Age	Ending Balance		Opening Balance	
	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	325,601,386.12	91.39	358,822,796.89	92.35
1 to 2 years	20,847,374.16	5.84	22,221,042.39	5.72
2 to 3 years	3,408,895.31	0.96	3,581,240.16	0.92
Over 3 years	6,435,571.42	1.81	3,915,385.83	1.01
Total	356,293,227.01	100.00	388,540,465.27	100.00

Reasons for failure to settle prepayments with aging over 1 year and material amounts: None

(2). Top five prepayments by payee at the end of the period

√ Applicable ☐ Not applicable

Unit: CNY Currency: Renminbi

Entity Name	Ending Balance	Percentage of Total Prepayments at End of Period (%)
First	41,993,698.25	11.79
Second	40,235,350.73	11.29
Third Place	17,486,348.74	4.91
Fourth Place	11,570,000.00	3.25
Fifth Place	8,049,883.11	2.26
Total	119,335,280.83	33.49

Other Notes:

None

Other Notes:

□Applicable √ Not applicable

9. Other Receivables

Item Listing

√ Applicable □ Not applicable

Unit: Yuan Currency: Renminbi

Item	Ending Balance	Opening Balance
Interest Receivable	-	-
Dividends Receivable	-	-
Other receivables	188,648,384.58	315,334,225.39
Total	188,648,384.58	315,334,225.39

Other Notes:

□ Applicable √ Not Applicable

Interest Receivable

(1). Classification of Interest Receivable

□ Applicable √ Not Applicable

(2). Significantly Past-Due Interest

□Applicable √Not Applicable

(3). Classification Disclosure by Bad Debt Provision Method

□Applicable √Not applicable

Individual bad debt provisioning:

□Applicable √Not applicable

Explanation of individual bad debt provisioning:

□Applicable √Not applicable

Collective impairment allowance:

□Applicable √Not applicable

(4). Provisioning for bad debts using the expected credit loss general model

□Applicable √Not applicable

Criteria for stage classification and provisioning ratios: None

Explanation of significant changes in the carrying amount of interest receivable resulting in loss provision adjustments during the current period:

□Applicable √Not applicable

(5). Status of Allowance for Doubtful Accounts

□Applicable √Not applicable

Significant amounts of bad debt provisions recovered or reversed during the current period:

□ Applicable √ Not applicable

Other Notes:
None

(6). Actual interest receivable written off during the current period

□Applicable √Not applicable

Significant interest receivable write-offs during the period

□Applicable √Not applicable

Write-off Explanation:

□ Applicable √ Not Applicable

Other Notes:

□Applicable √ Not applicable

Dividends

Receivable (1).

Dividends

Receivable

□Applicable √Not applicable

(2). Significant accounts receivable over 1 year old

□Applicable √Not applicable

(3). Classified disclosure based on bad debt provisioning method

□Applicable √Not applicable

Individual bad debt provisioning:

□Applicable √Not applicable

Explanation of individual bad debt provisioning:

□Applicable √Not applicable

Collective impairment allowance:

□Applicable √Not applicable

(4). Provisioning for bad debts using the expected credit loss general model

□Applicable √Not applicable

Criteria for stage classification and provisioning ratios: None

Explanation of significant changes in the carrying amount of receivable dividends resulting in loss provision adjustments during the current period:

☐Applicable √Not applicable

(5). Status of Allowance for Doubtful Accounts

☐Applicable √Not applicable

Significant amounts of bad debt provisions recovered or reversed during the current period:

☐ Applicable √ Not applicable

Other Notes:
None

(6). Actual write-offs of dividends receivable during the current period

☐Applicable √Not applicable

Significant write-offs of dividends receivable:

☐Applicable √Not applicable

Write-off Explanation:

☐ Applicable √ Not applicable

Other Notes:

☐ Applicable √ Not Applicable

Other Receivables

(1). Disclosed by aging

√Applicable ☐Not applicable

Unit: Yuan Currency: Renminbi

Accounts Receivable Aging	Balance at End of Period	Opening Balance
Within 1 year		
Of which: Within 1 year		
Within 1 year	33,738,349.16	152,459,072.98
Subtotal within 1 year	33,738,349.16	152,459,072.98
1 to 2 years	114,189,139.33	122,667,799.66
2 to 3 years	17,098,378.45	39,833,283.63
Over 3 years	-	-
3 to 4 years	20,799,253.29	10,266,981.92
4 to 5 years	9,442,448.94	3,482,883.88
5 years or more	21,530,122.57	18,813,467.28
Total	216,797,691.74	347,523,489.35

(2). Classification by Nature of Funds

√ Applicable ☐ Not Applicable

Unit: Yuan Currency:

Renminbi Nature of Funds	Ending Book Balance	Opening Balance
Deposits and Guarantees	65,289,428.88	65,689,114.44

Nature of Funds	Ending Book Balance	Opening Balance
Accounts Receivable and Other	126,572,645.02	229,874,438.14
Advances and disbursements	10,968,572.66	14,363,829.01
Other	13,967,045.18	37,596,107.76
Total	216,797,691.74	347,523,489.35

(3). Provision for Bad Debts

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Bad Debt Allowance	Stage 1	Stage 2	Stage 3	Total
	Expected Credit Losses Over the Next 12 Months Loss	Expected Credit Loss Over the Entire Life (Before Credit Impairment) Credit Impairment)	Expected Credit Loss Over the Entire Life (After Credit Impairment)	
Balance as of January 1, 2024	32,189,263.96	-	-	32,189,263.96
Balance as of January 1, 2024 During the Period	32,189,263.96	-	-	32,189,263.96
--Transferred to Phase II	-	-	-	-
--Transition to Phase Three	-	-	-	-
--Return to Phase Two	-	-	-	-
--Return to Phase One	-	-	-	-
Current Period Accrual	11,992,212.17	-	-	11,992,212.17
Reversal for the Period	15,988,568.97	-	-	15,988,568.97
Current Period Write-off	43,600.00	-	-	43,600.00
Current Period Write-off	-	-	-	-
Other Changes	-	-	-	-
Balance as of December 31, 2024	28,149,307.16	-	-	28,149,307.16

Basis for classification by stage and bad debt provision ratio: None

Explanation of significant changes in the carrying amount of other receivables subject to loss provision adjustments during the current period:

□ Applicable √ Not applicable

Basis for determining the provision amount for bad debts in the current period and whether the credit risk of the financial instruments has increased significantly:

□ Applicable √ Not applicable

(4). Status of Allowance for Doubtful Accounts

√ Applicable □ Not applicable

Unit: Yuan Currency: Renminbi

Category	Opening Balance	Current Period Change				Ending Balance
		Accrued	Recovered or Reversed	Write-off or Write-down	Other Changes Movements	
Other receivables Allowance for Doubtful	32,189,263.96	11,992,212.17	15,988,568.97	43,600.00	-	28,149,307.16

Significant amounts of bad debt provisions reversed or recovered during the current period:

☐ Applicable √ Not Applicable

Other Notes:
None

(5). Details of other receivables actually written off during the current period

√ Applicable ☐ Not applicable

Unit: Yuan Currency: Renminbi

Item	Amount Written Off
Actual Write-off of Other Receivables	43,600.00

Significant Write-offs of Other Receivables:

☐ Applicable √ Not Applicable

Explanation of Write-off of Other Receivables:

☐ Applicable √ Not applicable

(6). Top five other receivables by debtor at period-end

√ Applicable ☐ Not applicable

Unit: RMB Currency: Renminbi

Company Name	Ending Balance	Percentage of Total Other Receivables at End of Period Percentage of Amounts (%)	Nature of the Amount	Accounts Receivable Aging	Bad Debt Allowance at End of Period
First Place	12,598,509.00	5.81	Land acquisition compensation	3-4 years	125,985.09
Second Place	8,000,000.00	3.69	Security Deposit	5 years or more	240,000.00
Third Place	7,595,412.72	3.50	Security Deposit	Within 1 year, 1-2 years	227,862.38
Fourth Place	7,707,032.32	3.55	Accounts receivable	Over 5 years	7,707,032.32
Fifth	5,734,000.00	2.64	Accounts receivable	Over 5 years	5,734,000.00
Total	41,634,954.04	19.19	/	/	14,034,879.79

(7). Reported under other receivables due to centralized fund management

☐Applicable √ Not applicable

Other Notes:

☐Applicable √ Not applicable

10. Inventory

(1). Inventory Classification

√Applicable □Not Applicable

Unit: Yuan Currency: Renminbi

Item	Ending Balance			Opening Balance		
	Book Balance	Inventory Valuation Allowance/Contract Provision for Impairment of Performance Costs	Book Value	Carrying Amount	Inventory Valuation Allowance/Contract Provision for Impairment of Contract Performance Costs	Carrying Amount
Raw Materials	1,007,682,176.45	65,020,316.92	942,661,859.53	1,041,725,792.16	51,407,523.20	990,318,268.96
Work in Progress	601,582,195.16	8,555,662.73	593,026,532.43	516,152,647.82	5,519,393.55	510,633,254.27
Inventory	1,637,601,724.81	60,538,106.61	1,577,063,618.20	1,314,532,926.52	54,300,385.21	1,260,232,541.31
Turnaround Materials	-	-	-	-	-	-
Exhaustible Biological Assets	-	-	-	-	-	-
Contract Performance Costs	35,430.59	-	35,430.59	3,257,720.55	-	3,257,720.55
Self-made semi-finished products	338,090,080.58	6,797,621.10	331,292,459.48	379,833,005.97	1,680,785.38	378,152,220.59
Goods Dispatched	159,351,340.46	3,426,539.88	155,924,800.58	250,553,192.64	-	250,553,192.64
Low-value consumables	9,816,838.87	58,892.08	9,757,946.79	9,373,589.69	12,153.43	9,361,436.26
Packaging Materials	1,578,635.81	804.15	1,577,831.66	1,314,300.24	355.86	1,313,944.38
Processed Materials	5,621,289.07	-	5,621,289.07	1,221,798.58	-	1,221,798.58
Total	3,761,359,711.80	144,397,943.47	3,616,961,768.33	3,517,964,974.17	112,920,596.63	3,405,044,377.54

(2). Data resources recognized as inventory

□Applicable √Not applicable

(3). Inventory impairment reserve and contract performance cost impairment reserve

√ Applicable □ Not applicable

Unit: Yuan Currency: Renminbi

Item	Opening Balance	Increase for the Period		Current Period Decrease		Ending Balance
		Accrual	Other	Reversal or Write-off	Other	
Raw Materials	51,407,523.20	18,101,220.93	-	3,330,317.77	1,158,109.44	65,020,316.92
Work in Progress	5,519,393.55	3,579,964.63	-	225,606.05	318,089.40	8,555,662.73
Inventory	54,300,385.21	13,474,422.32	-	6,393,262.40	843,438.52	60,538,106.61
Turnaround Materials	-	-	-	-	-	-
Exhaustible Biological Assets	-	-	-	-	-	-
Contract Performance Costs	-	-	-	-	-	-
Self-made semi-finished products	1,680,785.38	5,116,835.72	-	-	-	6,797,621.10
Goods Dispatched	-	3,426,539.88	-	-	-	3,426,539.88
Low-value consumables	12,153.43	46,738.65	-	-	-	58,892.08
Packaging Materials	355.86	448.29	-	-	-	804.15
Total	112,920,596.63	43,746,170.42	-	9,949,186.22	2,319,637.36	144,397,943.47

Reason for Reversal or Write-off of Inventory Valuation Allowance for the Period

□ Applicable √ Not Applicable

Provision for inventory impairment calculated by portfolio

□ Applicable √ Not applicable

Criteria for establishing inventory valuation allowance by portfolio

□Applicable √Not applicable

(4). Amount of capitalized borrowing costs included in the ending inventory balance, along with calculation standards and basis

□Applicable √ Not applicable

(5). Explanation of the current period amortization amount of contract fulfillment costs

□Applicable √Not applicable

Other Notes:

□Applicable √ Not applicable

11. Assets Held for Sale

□Applicable √Not applicable

12. Non-current assets due within one year

□Applicable √Not applicable

Debt investments maturing within one year

□ Applicable √ Not applicable

Other debt investments maturing within one year

□ Applicable √ Not applicable

Other notes on non-current assets due within one year: None

13. Other current assets

√Applicable □Not applicable

Unit: RMB Currency: Renminbi

Item	Ending Balance	Opening Balance
Contract Acquisition Cost	-	-
Cost of returns receivable	-	-
Certified Input Tax Credit Pending Deduction	259,034,024.90	128,828,319.80
Prepaid corporate income tax and other	52,644,784.98	46,361,253.24
Deferred expenses	13,574,762.09	9,879,941.79
Uncertified Input Tax	5,261,928.71	12,690,264.18
Warranty deposit tax	-	2,979,400.75
Other	624,732.17	3,964,317.49
Total	331,140,232.85	204,703,497.25

Other Notes:
None

14. Debt

Investments (1).

Debt Investment

Details

□ Applicable √ Not Applicable

Changes in Impairment Allowance for Debt Investments During the Period

□ Applicable √ Not Applicable

(2). Significant Debt Investments at Period-End

☐ Applicable √ Not Applicable

(3). Details of Impairment Reserve Accrual

☐ Applicable √ Not Applicable

Classification criteria and impairment reserve allocation ratios: None

Explanation of Significant Changes in Book Value of Debt Investments with Loss Reserve Adjustments During Current Period:

☐Applicable √Not applicable

Basis for determining the amount of impairment allowance provisioned for the current period and whether the credit risk of the financial instruments has significantly increased

☐Applicable √Not applicable

(4). Actual write-offs of debt investments during the current period

☐ Applicable √ Not applicable

Details of write-offs for significant debt investments

☐ Applicable √ Not applicable

Explanation of debt investment write-offs:

☐ Applicable √ Not Applicable

Other Notes:

☐ Applicable √ Not applicable

15. Other Debt Investments

(1). Details of Other Debt Investments

☐ Applicable √ Not Applicable

Changes in Impairment Allowance for Other Debt Investments During the Current Period

☐ Applicable √ Not Applicable

(2). Significant Other Debt Investments at Period-End

☐ Applicable √ Not Applicable

(3). Details of Impairment Reserve Accrual

☐ Applicable √ Not applicable

Classification criteria and impairment reserve allocation ratios: None

Explanation of significant changes in the carrying amount of other debt investments for which loss provisions changed

during the current period:

□Applicable √Not applicable

Basis for determining the amount of impairment allowance provisioned during the current period and whether the credit risk of the financial instruments has significantly increased

☐Applicable √Not applicable

(4). Actual write-offs of other debt investments during the current period

☐ Applicable √ Not applicable

Details of write-offs for significant other debt investments

☐ Applicable √ Not applicable

Explanation of write-offs for other debt investments:

☐ Applicable √ Not Applicable

Other Notes:

☐ Applicable √ Not applicable

16. Long-Term Receivables

(1). Status of Long-Term Receivables

☐ Applicable √ Not Applicable

(2). Classified Disclosure by Bad Debt Provision Method

☐ Applicable √ Not Applicable

Individual bad debt provisioning:

☐ Applicable √ Not Applicable

Explanation of individual bad debt provisioning:

☐Applicable √Not applicable

Collective impairment allowance:

☐Applicable √Not applicable

(3). Provisioning for bad debts using the expected credit loss general model:

☐Applicable √Not applicable

Criteria for stage classification and provisioning ratios: None

Explanation of significant changes in the carrying amount of long-term receivables resulting in changes to loss provisions during the current period:

☐Applicable √Not applicable

Basis for determining the amount of bad debt provision for the current period and whether the credit risk of the financial instruments has increased significantly

☐Applicable √Not applicable

(4). Status of bad debt provisions

□ Applicable √ Not applicable

Among which, the amount of bad debt provision recovered or reversed in the current period is significant:

☐ Applicable √ Not applicable

Other Notes:
None

(5). Details of long-term receivables actually written off during the current period

☐Applicable √Not applicable

Significant write-offs of long-term receivables during the period

☐Applicable √Not applicable

Explanation of Long-Term Receivables Write-Offs:

☐ Applicable √ Not Applicable

Other Notes:

☐ Applicable √ Not Applicable

17. Long-Term Equity Investments

(1). Status of Long-Term Equity Investments

√ Applicable ☐ Not Applicable

Unit: Yuan Currency: Renminbi

Investee	Opening Balance	Increase/Decrease for the Period								Ending Balance	Impairment Reserve Balance at End of Period
		Additional Investment	Decrease in Investment	Equity Method Investment Gains/Losses	Adjustments to other comprehensive income	Other changes in equity	Declaration of cash dividends or Profit	Provision for impairment	Other		
I. Joint Ventures											
Subtota	-	-	-	-	-	-	-	-	-	-	-

Investee	Opening Balance	Increases and Decreases During the Period								Closing Balance	Impairment Reserve Balance at End of Period
		Additional Investment	Decrease in Investment	Equity Method Investment Gains/Losses	Adjustments to other comprehensive income	Other changes in equity	Declaration of cash dividends or Profit	Provision for impairment	Other		
Wolong Real Estate	453,583,096.08	-	-	4,176,526.38	-	-3,388,715.24	-	-	-	454,370,907.22	3,001,169.54
Red Phase Shares	168,281,990.50	-	-	-2,120,190.40	-2,793.13	6,192,446.63	-	60,079,737.55	-112,271,716.05	-	-
Subtotal	621,865,086.58	-	-	2,056,335.98	-2,793.13	2,803,731.39	-	60,079,737.55	-112,271,716.05	454,370,907.22	3,001,169.54
Total	621,865,086.58	-	-	2,056,335.98	-2,793.13	2,803,731.39	-	60,079,737.55	-112,271,716.05	454,370,907.22	3,001,169.54

(2). Impairment Testing of Long-Term Equity Investments

☐ Applicable √ Not Applicable

Other Notes:

The transfer to other accounts resulted from the Company losing the ability to exert significant influence over Hongxiang Co., Ltd. starting from the third quarter of 2024, leading to the reclassification of the equity interest in Hongxiang Co., Ltd. from long-term equity investments to financial assets.

18. Other Equity Instruments

Investments (1). Other Equity Instruments Investments

☐ Applicable √ Not Applicable

(2). Explanation of Derecognition During the Current Period

☐ Applicable √ Not Applicable

Other Notes:

☐ Applicable √ Not Applicable

19. Other Non-Current Financial Assets

√ Applicable □ Not Applicable

Unit: RMB Currency: Renminbi

Item	Ending Balance	Opening Balance
Equity Investments	926,031,798.32	842,682,410.58
Other	1,055,976.12	1,356,686.38
Total	927,087,774.44	844,039,096.96

Other Notes:

□ Applicable √ Not Applicable

20. Investment Property

Investment property measurement model not applicable

21. Fixed Assets

Itemized presentation

√ Applicable □Not Applicable

Unit: Yuan Currency: Renminbi

Item	Ending Balance	Beginning Balance
Fixed Assets	5,558,029,598.76	4,965,432,904.84
Disposal of Fixed Assets	-	5,111,530.31
Total	5,558,029,598.76	4,970,544,435.15

Other Notes:

□ Applicable √ Not Applicable

Fixed Assets

(1). Fixed Assets

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Item	Buildings and Structures	Machinery and Equipment	Vehicles	Photovoltaic Power Station	Electronic Equipment and Others	Total
I. Original Book Value:						
1. Beginning Balance	2,552,569,300.60	3,866,917,346.71	25,833,729.99	1,520,343,279.44	609,526,890.32	8,575,190,547.06
2. Increase for the Period	448,230,361.36	314,609,006.12	2,634,579.80	241,887,824.29	91,340,443.46	1,098,702,215.03
(1) Acquisition	45,433,140.82	219,786,094.43	2,634,579.80	3,292,460.64	96,738,172.97	367,884,448.66
(2) Transfer from Construction in Progress	420,523,504.64	95,351,538.70	-	238,645,339.17	-	754,520,382.51
(3) Increase from business combinations	-	-	-	-	-	-
(4) Impact of Exchange Rate Fluctuations	-17,726,284.10	-528,627.01	-	-49,975.52	-5,397,729.51	-23,702,616.14
3. Decrease for the Period	25,510,426.01	124,389,881.75	3,547,380.77	-	4,157,437.76	157,605,126.29
(1) Disposal or Scrapping	25,510,426.01	124,389,881.75	3,547,380.77	-	4,157,437.76	157,605,126.29
4. Ending Balance	2,975,289,235.95	4,057,136,471.08	24,920,929.02	1,762,231,103.73	696,709,896.02	9,516,287,635.80
II. Accumulated Depreciation						
1. Beginning Balance	824,460,420.69	2,098,262,009.44	17,544,379.06	298,132,380.74	364,454,202.58	3,602,853,392.51
2. Increase for the period	73,885,276.20	253,518,147.86	2,139,377.66	74,701,297.18	69,794,376.84	474,038,475.74
(1) Provision	78,302,922.28	259,300,354.72	2,139,377.66	74,701,297.18	73,704,883.75	488,148,835.59
(2) Impact of Exchange Rate Fluctuations	-4,417,646.08	-5,782,206.86	-	-	-3,910,506.91	-14,110,359.85
3. Decrease for the Period	16,680,513.73	104,264,974.57	3,387,337.64	-	1,610,317.61	125,943,143.55
(1) Disposal or Scrapping	16,680,513.73	104,264,974.57	3,387,337.64	-	1,610,317.61	125,943,143.55
4. Ending Balance	881,665,183.16	2,247,515,182.73	16,296,419.08	372,833,677.92	432,638,261.81	3,950,948,724.70
III. Impairment Reserve						
1. Beginning Balance	707,799.58	5,387,626.42	-	771,015.41	37,808.30	6,904,249.71
2. Increase for the Period	-30,035.03	69,750.08	-	1,774,675.34	-	1,814,390.39
(1) Provision		43,861.45	-	1,774,675.34	-	1,818,536.79
(2) Impact of Exchange Rate Fluctuations	-30,035.03	25,888.63	-	-	-	-4,146.40
3. Decrease for the Period		1,371,519.46	-	-	37,808.30	1,409,327.76

Project	Buildings and Structures	Machinery and Equipment	Vehicles	Photovoltaic Power Station	Electronic Equipment and Others	Total
(1) Disposal or Scrapping	-	1,371,519.46	-	-	37,808.30	1,409,327.76
4. Ending Balance	677,764.55	4,085,857.04	-	2,545,690.75	-	7,309,312.34
IV. Carrying Value						
1. Carrying Value at Period End	2,092,946,288.24	1,805,535,431.31	8,624,509.94	1,386,851,735.06	264,071,634.21	5,558,029,598.76
2. Opening Book Value	1,727,401,080.33	1,763,267,710.85	8,289,350.93	1,221,439,883.29	245,034,879.44	4,965,432,904.84

(2). Status of Temporarily Idle Fixed Assets

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Item	Original Book Value	Accumulated Depreciation	Impairment Reserve	Carrying Value	Remarks
Chenzhou Hua'an Buildings	17,173,481.76	10,675,391.08	-	6,498,090.68	-
Chenzhou Hua'an Machinery Equipment	937,645.07	860,045.72	-	77,599.35	-
Chenzhou Hua'an Electronics Other Equipment	58,259.47	56,511.69	-	-	-
Electrical Engineering Machinery and Equipment	1,087,035.00	1,087,035.00	-	-	-
Other Electrical Engineering Equipment	286,175.07	271,871.64	-	14,303.43	-

(3). Fixed assets leased out under operating leases

□ Applicable √ Not Applicable

(4). Status of fixed assets without completed property ownership certificates

√ Applicable □ Not applicable

Unit: Yuan Currency: Renminbi

Item	Book Value	Reason for Unprocessed Property Certificate
Nanyang New Plant Premises	131,689,649.53	Procedures not yet completed
Wolong New Headquarters Building	126,812,844.56	Procedures not yet completed
Property of Duchang Longneng Duchang County Jishan Lake Aquaculture Farm	1,213,856.90	Procedures not yet completed

(5). Impairment Testing of Fixed Assets

□ Applicable √ Not Applicable

Other Notes:

□ Applicable √ Not Applicable

Disposal of Fixed Assets

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Item	Ending Balance	Opening Balance
Shenyang Junhui Photovoltaic Technology Co., Ltd. 5.2 MW Rooftop Distributed PV Power Station	-	5,111,530.31
Total	-	5,111,530.31

Other Notes:
None

22. Construction in Progress

Project Listing

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Project	Ending Balance	Beginning Balance
Construction in Progress	516,776,904.43	723,273,722.28
Construction Materials	-	-
Total	516,776,904.43	723,273,722.28

Additional Notes:

□ Applicable √ Not Applicable

Construction in Progress

(1). Status of Construction in Progress

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Project	Ending Balance			Opening Balance		
	Book Balance	Impairment Allowance	Book Value	Book Balance	Impairment Allowance	Carrying Amount
Construction in Progress Project	516,776,904.43	-	516,776,904.43	723,273,722.28	-	723,273,722.28
Total	516,776,904.43	-	516,776,904.43	723,273,722.28	-	723,273,722.28

(2). Changes in Significant Construction Projects During the Period

√ Applicable □ Not Applicable

Unit: RMB Currency: Renminbi

Project Name	Budgeted Amount	Opening Balance	Increase for Current Period	Amount transferred to fixed assets for the period	Other decreases for the period	Ending balance	Cumulative Project Expenditures as a Percentage of Budget (%)	Project Progress	Cumulative Amount of Capitalized Interest	Of which: Interest capitalized during the period	Interest Capitalization Rate for Current Period (%)	Funding Source
Construction of a Specialized Production Center for Large Explosion-Proof Motors Project	-	173,308,783.16	15,343,269.18	163,220,398.18	5,951,595.97	19,480,058.19	90.30	90.30	11,785,911.45	-	-	-
Clean Energy Wind Power Equipment High-End Motor and Drive System Intelligence Project	-	134,454,812.63	35,164,159.06	138,620,144.51	824,826.58	30,174,000.60	87.90	87.90	-	-	-	-
New Energy Shangyu Economic Development Zone [2022] J2 Project	-	65,183,186.58	123,350,711.05	126,812,844.56	5,492,835.61	56,228,217.46	42.77	42.77	-	-	-	-
Longneng Plot No. 3 - 1GW Integrated Energy System with Photovoltaic Storage and Centralized Energy	-	40,880,964.08	49,835,074.98	-	-	90,716,039.06	60.48	60.48	-	-	-	-

(3). Current Period Provision for Impairment of Construction in Progress

☐ Applicable √ Not Applicable

(4). Impairment Testing of Construction in Progress

√ Applicable ☐ Not Applicable

Recoverable Amount Determined Based on Fair Value Less Costs to Sell

☐ Applicable √ Not applicable

Recoverable amount determined based on the present value of estimated future cash flows

☐Applicable √Not applicable

Reasons for significant inconsistencies between the aforementioned information and information used in prior years' impairment tests or external information

☐ Applicable √ Not applicable

Reasons for significant discrepancies between information used in prior-year impairment tests and actual circumstances in the current year

☐ Applicable √ Not applicable

Other Explanations:

☐ Applicable √ Not applicable

Construction Materials

(1). Status of Construction Materials

☐ Applicable √ Not Applicable

23. Biological Assets

(1). Productive Biological Assets Measured at Cost

☐Applicable √Not Applicable

(2). Impairment testing of biological assets at cost

☐Applicable √Not applicable

(3). Productive biological assets measured at fair value

☐Applicable √Not applicable

Other Notes:

☐ Applicable √ Not applicable

24. Oil and Gas Assets

(1) Oil and Gas Asset Status

☐ Applicable √ Not Applicable

(2) Impairment Testing of Oil and Gas Assets

☐ Applicable √ Not Applicable

Other Notes:
None

25. Right-of-use assets

(1) Right-of-Use Assets

√ Applicable ☐ Not Applicable

Unit: Yuan Currency: Renminbi

Item	Buildings and Structures	Machinery and Equipment	Transportation Equipment	Roof and Fish Pond Leasing	Electronic Equipment and Others	Total
I. Original Book Value						
1. Beginning Balance	112,668,098.03	10,257,056.92	9,400,731.02	81,891,497.62	8,645,972.19	222,863,355.78
2. Increase for the Period	12,460,711.57	8,154,247.33	2,535,275.16	-	2,824,855.88	25,975,089.94
(1) New leases	17,279,054.19	8,336,854.60	2,821,839.80	-	3,014,257.57	31,452,006.16
(2) Impact of Exchange Rate Fluctuations Impact	-4,818,342.62	-182,607.27	-286,564.64	-	-189,401.69	-5,476,916.22
3. Decrease for the Period	38,935,545.57	3,631,676.87	725,770.32	-	2,181,577.27	45,474,570.03
(1) Disposal	36,591,674.89	3,631,676.87	725,770.32	-	2,181,577.27	43,130,699.35
(2) Other decreases	2,343,870.68	-	-	-	-	2,343,870.68
4. Ending Balance	86,193,264.03	14,779,627.38	11,210,235.86	81,891,497.62	9,289,250.80	203,363,875.69
II. Accumulated Depreciation						
1. Beginning Balance	55,856,169.38	9,523,029.30	6,309,574.78	3,620,960.79	4,413,161.50	79,722,895.75

Project	Houses and Buildings	Machinery and Equipment	Transportation Equipment	Roof and Fish Pond Leasing	Electronic Equipment and Others	Total
2. Increase for the Period	31,596,243.74	3,280,145.88	2,370,637.85	3,810,456.60	435,526.17	41,493,010.24
(1) Provision	14,548,722.32	3,574,057.35	2,406,910.29	3,810,456.60	575,988.52	24,916,135.08
(2) Other accruals	18,526,313.56	-	-	-	200,407.74	18,726,721.30
(3) Impact of exchange rate fluctuations Impact	-1,478,792.14	-293,911.47	-36,272.44	-	-340,870.09	-2,149,846.14
3. Decrease for the Period	33,883,721.93	888,933.89	725,770.32	-	1,714,162.77	37,212,588.91
(1) Disposal	33,173,695.01	888,933.89	725,770.32	-	1,714,162.77	36,502,561.99
(2) Other decreases	710,026.92	-	-	-	-	710,026.92
4. Ending Balance	53,568,691.19	11,914,241.29	7,954,442.31	7,431,417.39	3,134,524.90	84,003,317.08
III. Impairment Reserve						
1. Beginning Balance	-	-	-	-	-	-
2. Amount added this period	-	-	-	-	-	-
(1) Accrual	-	-	-	-	-	-
3. Amount Reduced This Period	-	-	-	-	-	-
(1) Disposal	-	-	-	-	-	-
4. Ending Balance	-	-	-	-	-	-
IV. Carrying Value						
1. Carrying Value at Period-End	32,624,572.84	2,865,386.09	3,255,793.55	74,460,080.23	6,154,725.90	119,360,558.61
2. Opening Book Value	56,811,928.65	734,027.62	3,091,156.24	78,270,536.83	4,232,810.69	143,140,460.03

(2) Impairment Testing of Right-of-Use Assets

□ Applicable √ Not Applicable

Other Notes:
None

26. Intangible Assets

(1). Intangible Assets

√ Applicable ☐ Not Applicable

Unit: Yuan Currency: RMB

Item	Land Use Rights	Patent Rights	Non-Patented Technology	Software Usage Rights	Franchise Rights	Trademarks	License to Use Qualifications	Total
I. Original Book Value								
1. Beginning Balance	773,069,340.10	9,192,820.25	1,826,456,179.21	220,696,286.83	24,628,495.87	249,175,848.97	1,127,993.59	3,104,346,964.82
2. Increase for the Period	52,922,994.64	-25,392.19	291,475,590.33	55,424,338.74	-796,631.46	-6,108,512.14	830,000.00	393,722,387.92
(1) Acquisition	52,982,303.29	111,214.90	2,962,070.72	56,534,190.15	-	-	830,000.00	113,419,779.06
(2) Transferred from development expenditures	-	-	306,133,286.81	-	-	-	-	306,133,286.81
(3) Exchange rate fluctuations	-59,308.65	-136,607.09	-17,619,767.20	-1,109,851.41	-796,631.46	-6,108,512.14	-	-25,830,677.95
3. Decrease for the Period	-	104,561.09	19,147,174.62	15,547,045.40	55,752.21	4,716,981.13	-	39,571,514.45
(1) Disposal	-	104,561.09	19,147,174.62	2,437,209.13	-	-	-	21,688,944.84
(2) Other decreases	-	-	-	13,109,836.27	55,752.21	4,716,981.13	-	17,882,569.61
4. Ending Balance	825,992,334.74	9,062,866.97	2,098,784,594.92	260,573,580.17	23,776,112.20	238,350,355.70	1,957,993.59	3,458,497,838.29
II. Accumulated Amortization								
1. Beginning Balance	101,279,884.02	4,610,015.84	744,313,274.92	116,427,614.18	20,693,474.96	89,525,834.21	80,223.48	1,076,930,321.61
2. Increase for the Period	17,435,188.16	1,441,867.49	167,847,596.01	21,546,141.66	-796,631.45	14,133,934.03	287,666.59	221,895,762.49
(1) Provision	17,435,188.16	1,594,176.16	179,516,412.87	22,444,481.69	-	14,297,771.23	287,666.59	235,575,696.70
(2) Exchange rate fluctuations	-	-152,308.67	-11,668,816.86	-898,340.03	-796,631.45	-163,837.20	-	-13,679,934.21
3. Decrease for the Period	-	-	11,405,275.53	7,798,159.42	-	-	-	19,203,434.95
(1) Disposal	-	-	8,655,058.09	1,613,933.87	-	-	-	10,268,991.96
(2) Other reasons	-	-	2,750,217.44	6,184,225.55	-	-	-	8,934,442.99
4. Ending Balance	118,715,072.18	6,051,883.33	900,755,595.40	130,175,596.42	19,896,843.51	103,659,768.24	367,890.07	1,279,622,649.15
III. Impairment Reserve								
1. Beginning	-	-	37,666,056.93	-	-	2,911,084.94	-	40,577,141.87

Project	Land Use Rights	Patent Rights	Non-Patented Technology	Software Usage Rights	Franchise Rights	Trademarks	License to Use Qualifications	Total
2. Increase for the Period	-	-	-1,598,334.43	-	-	-	-	-1,598,334.43
(1) Provision	-	-	-	-	-	-	-	-
(2) Exchange rate fluctuations	-	-	-1,598,334.43	-	-	-	-	-1,598,334.43
3. Decrease for the period	-	-	-	-	-	-	-	-
(1) Disposal	-	-	-	-	-	-	-	-
4. Ending Balance	-	-	36,067,722.50	-	-	2,911,084.94	-	38,978,807.44
IV. Carrying Value								
1. Carrying Value at Period End	707,277,262.56	3,010,983.64	1,161,961,277.02	130,397,983.75	3,879,268.69	131,779,502.52	1,590,103.52	2,139,896,381.70
2. Opening Book Value	671,789,456.08	4,582,804.41	1,044,476,847.36	104,268,672.65	3,935,020.91	156,738,929.82	1,047,770.11	1,986,839,501.34

The proportion of intangible assets formed through internal R&D at the end of the period accounted for 8.85% of the total intangible asset balance. **(2). Data resources recognized as intangible assets**

□ Applicable √ Not Applicable

(3). Land use rights without property rights certificates

√ Applicable □ Not applicable

Unit: RMB Currency: Renminbi

Item	Book Value	Reason for Unprocessed Property Rights Certificate
Land Use Rights for Vietnam Factory	13,763,678.70	Procedures not yet completed

(3) Impairment Testing of Intangible Assets

□ Applicable √ Not Applicable

Other Notes:

□ Applicable √ Not applicable

27. Goodwill

(1). Carrying Amount of Goodwill

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Name of investee or transaction giving rise to goodwill	Opening Balance	Increase for the Period		Current Period Decrease		Closing Balance
		Formed by business combination	Impact of exchange rate fluctuations	Disposal	Impact of exchange rate fluctuations	
Nanyang Explosion-Proof*1	705,073,245.25	-	-	-	-	705,073,245.25
General Electric Small Industrial Motors Business *2	408,324,134.32	-	6,093,701.70	-	-	414,417,836.02
SIR	87,913,369.82	-	-3,730,546.23	-	-	84,182,823.59
Italy Electric Power	639,010.55	-	-	-	-	639,010.55
Qingjiang Electric Motor	44,938,231.41	-	-	-	-	44,938,231.41
OLI Group	49,686,175.43	-	-2,108,400.28	-	-	47,577,775.15
Rongxin Transmission Technology	88,360,580.77	-	-	-	-	88,360,580.77
Shanghai Kesi	22,381,676.95	-	-	-	-	22,381,676.95
Jiangsu Ling	4,705,445.43	-	-	-	-	4,705,445.43
Zhejiang Zhongzhi	47,727,123.68	-	-	-	-	47,727,123.68
Total	1,459,748,993.61	-	254,755.19	-	-	1,460,003,748.80

Note: *1 The Company treated the assets and liabilities related to the synergies of Nanyang Explosion-Proof High and Low Voltage Motors and other businesses as a single asset group. At year-end, it conducted an impairment test on the goodwill arising from the acquisition of Nanyang Explosion-Proof High and Low Voltage Motors and other businesses. It engaged Tianyuan Asset Appraisal Co., Ltd. (hereinafter referred to as "Tianyuan Appraisal") to evaluate the recoverable value of the Nanyang Explosion-Proof asset group as of December 31, 2024, and issued the Tianyuan Appraisal Report No. [2025] 0362.

and issued the Asset Appraisal Report No. Tianyuan Pingbao Zi [2025] No. 0362. On December 31, 2024

Based on the results of the goodwill impairment test as of December 31, 2024, no goodwill impairment provision was recognized.

*2 The Company treated the assets and liabilities related to synergies from GE's small industrial motor business as a single asset group. At year-end, it conducted an impairment test on the goodwill arising from the acquisition of GE's small industrial motor business in the United States. It engaged Tianyuan Appraisal to assess the recoverable amount of the Wolong U.S. asset group as of the valuation date of December 31, 2024, resulting in the issuance of Tianyuan Appraisal Report No. [2025]

No. 20066. As of December 31, 2024, based on the results of the goodwill impairment test, no impairment provision for goodwill was recognized.

(2). Goodwill Impairment Reserve

√ Applicable □ Not Applicable

Unit: RMB Currency: Renminbi

Name of investee or transaction giving rise to goodwill Transaction	Opening Balance	Increase for the Period		Current Period Decrease		Closing Balance
		Accrual	Impact of Exchange Rate Fluctuations	Disposals	Impact of exchange rate changes	
Italy Electric Power	639,010.55	-	-	-	-	639,010.55
Total	639,010.55	-	-	-	-	639,010.55

(3). Information on the asset group or combination of asset groups to which goodwill relates

√ Applicable □ Not applicable

Name	Composition and Basis of the Asset Group or Grouping to Which It Belongs	Operating segment to which it belongs and basis	Whether consistent with previous years Consistent with previous years
Nanyang Explosion-Proof High and Low Voltage Equipment Asset group: Fixed assets, right-of-use assets, intangible assets, prepaid expenses, current portion of non-current liabilities,	Asset Group: Fixed Assets, Right-of-Use Assets, Intangible Assets, Deferred Expenses, Non-Current Liabilities Due Within One Year, Lease Liabilities, Deferred Income Tax Liabilities Basis: Independence of cash flow generation and the company's management model for related Asset Group: Fixed assets, right-of-use assets, intangible assets, prepaid expenses, non-current liabilities due within one year, lease liabilities, deferred tax liabilities Basis:	For internal management purposes, this asset group is allocated to the high and low voltage explosion-proof motor segment.	is
General Electric Small Industrial Motors business	Asset Group: Fixed Assets, Intangible Assets, Construction in Progress, Development Expenditures, Right-of-Use Assets Basis: Generating cash flows Based on internal management purposes, this asset group comprises various explosion-proof motors for high and low voltage applications.	For internal management purposes, this asset group is allocated to to the Small Industrial Motors segment	Yes
SIR Industrial Machinery Business	Asset group: Fixed assets, intangible assets, construction in progress, development expenditures, right-of-use assets Basis: Generating cash flows and the company's management model for the production and operation activities of the related assets	For internal management purposes, this asset group is allocated to the industrial robotics segment. to the Industrial Robotics segment.	Yes
Qingjiang Electric Motor Business	Asset Group: Fixed Assets, Intangible Assets, Development Expenditures Basis: The independence of cash flow generation and the company's management model for the management model for the production and operational activities of the related assets	For internal management purposes, this asset group is classified as belongs to the Qingjiang Electric Motors	.

Name	Composition and Basis of the Asset Group or Portfolio	Operating segment to which it belongs and basis	Whether Consistent with Previous Years Consistency with Previous Years
Zhongzhi Electric Frequency Conversion Business	Asset Group: Fixed Assets, Intangible Assets, Deferred Expenses Basis: The independence of cash flow generation and the management model of the company's production and operational activities for the relevant assets. Company's management model for related asset production and operations	For internal management purposes, this asset group is allocated to the to the Variable Frequency Drive segment.	.

Changes in asset group or asset group combination

☐ Applicable √ Not applicable

Other remarks:

☐ Applicable √ Not applicable

(4). Specific Method for Determining Recoverable Amount

Recoverable amount is determined as fair value less costs to sell

☐Applicable √Not applicable

Recoverable amount is determined based on the present value of estimated future cash flows

√Applicable ☐Not applicable

Unit: Yuan Currency: Renminbi

Item	Carrying Amount	Recoverable Amount	Impairment Amount	Number of Years in the Forecast Period	Key Parameters for the Forecast Period (Growth Rates, Profit Margins, etc.)	Validation Basis for Parameters During Forecast Period	Key parameters for the stable period (growth rate, profit margin, discount rate, etc.)	Basis for determining key parameters during the stable period
Nanyang Explosion-Proof	2,975,743,744.60	3,231,100,000.00	-	5 years	Revenue Growth Rate: 1%–3.5% Gross Profit Margin: 29.48%–32.98%	-	Revenue Growth Rate: 0% Gross Margin: 31.8% Discount Rate: 12.38%	2029 Profit Forecast
General					Revenue Growth			

Project	Carrying Value	Recoverable Amount	Impairment Amount	Forecast Period	Key Parameters for the Forecast Period (Growth Rates, Profit Margins, etc.)	Validation Basis for Parameters During the Forecast Period Basis for parameter determination	Key parameters for the stable period (growth rate, profit margin, discount rate, etc.)	Basis for determining key parameters during the stable period
Qingjiang Electric Motor	243,821,703.35	262,830,000.00	-	5 years	Revenue Growth Rate: 2.92%–2.99% Gross Profit Margin: 20.58%–20.31%	-	Revenue Growth Rate: 0% Gross Profit Margin: 20.31% Discount Rate: 13.02%	2029 Profit Forecast
OLI Group	572,648,250.64	911,093,038.88	-	5 years	Revenue Growth Rate: 8% Gross Margin: 40%	-	Revenue Growth Rate: 0% Gross Margin: 40% Discount Rate: 10.71%	2029 Profit Forecast
Rongxin Transmission Technology	264,179,154.72	293,522,109.11	-	5 years	Revenue Growth Rate: 13%–20% Gross Profit Margin: 27.5%–28.7%	-	Revenue Growth Rate: 0% Gross Margin: 28.7% Discount Rate: 10.25%	2029 Profit Forecast
Shanghai Kesi	22,395,078.44	23,200,611.75	-	5 Years	Revenue Growth Rate: 28.4%–20% Gross Profit Margin: 30.12%–32%	-	Revenue Growth Rate: 5% Gross Margin: 32% Discount Rate: 13.11%	2029 Profit Forecast
Jiangsu Lino	7,880,841.40	24,384,191.35	-	5 years	Revenue Growth Rate: 1.6%-1% Gross Profit Margin: 13.19%~12.52%	-	Revenue Growth Rate: 0% Gross Profit Margin: 12.52% Discount Rate: 15.06%	2029 Profit Forecast
Zhongzhi Electric	54,159,529.08	62,663,377.27	-	5 years	Revenue Growth Rate: 42.86%–30% Gross Profit Margin: 25%–32%	-	Revenue Growth Rate: 30% Gross Margin: 32% Discount Rate: 9.54%	2029 Profit Forecast
Total	5,010,085,120.76	6,036,909,886.89	-	/	/	/	/	/

Reasons for significant inconsistencies between the aforementioned information and information used in prior-year impairment tests or external information

☐ Applicable √ Not applicable

Reasons for significant discrepancies between information used in prior-year impairment tests and actual circumstances in the current year

☐ Applicable √ Not applicable

(5). Performance Commitments and Corresponding Goodwill Impairment

Performance commitments existed at the time goodwill was recognized, and the reporting period or the period immediately preceding the reporting period falls within the performance commitment period

□Applicable √Not applicable

Other Explanations:

□Applicable √Not Applicable

28. Deferred Expenses

√ Applicable □ Not applicable

Unit: Yuan Currency: Renminbi

Item	Opening Balance	Increase for the Period	Current Period Amortization	Other Decreases Amount	Ending Balance
Factory Renovation Expenses, etc.	33,368,303.69	6,713,617.45	9,130,831.50	-	30,951,089.64
Insurance Expenses and Other	4,817,925.42	2,613,825.15	1,423,668.61	-42,551.30	6,050,633.26
Total	38,186,229.11	9,327,442.60	10,554,500.11	-42,551.30	37,001,722.90

Other Notes: None

29. Deferred Income Tax Assets / Deferred Income Tax Liabilities

(1). Unrecognized Deferred Tax Assets

√ Applicable □ Not Applicable

Unit: CNY Currency: Renminbi

Item	Ending Balance		Beginning Balance	
	Tax-deductible temporary Differences	Deferred Income Tax Assets	Deductible temporary Differences	Deferred Income Tax Asset
Asset Impairment Reserve	1,066,375,272.88	174,000,095.88	952,952,645.09	157,879,562.22
Unrealized Gains on Internal Transactions	-	-	-	-
Deductible Losses	1,118,307,897.08	223,580,631.83	1,203,971,341.79	244,712,337.72
Long-term liabilities and provisions	139,341,899.82	29,261,798.97	154,465,590.15	32,280,646.33
Other Accrued Liabilities	315,745,229.83	73,927,358.11	94,665,182.54	25,052,747.82
Lease liabilities	77,376,853.05	13,793,055.56	73,320,020.18	11,796,634.47
Depreciation of Fixed Assets	18,618,453.86	3,572,216.79	15,617,322.83	3,285,365.66
Other	112,340,138.37	18,917,592.13	150,911,862.50	24,694,190.84
Total	2,848,105,744.89	537,052,749.27	2,645,903,965.08	499,701,485.06

(2). Unoffset deferred income tax liabilities

Unit: Yuan Currency: Renminbi

√ Applicable □ Not Applicable

Item	Ending Balance		Opening Balance	
	Taxable Temporary Difference	Deferred Income Tax Liabilities	Taxable temporary Differences	Deferred Income Tax Liabilities
Non-controlling interests - Valuation gains on assets acquired in non-controlling interest business combinations	-	-	-	-
Other debt investments Changes in Fair Value	-	-	-	-
Other Equity Instruments Investments Fair value changes	-	-	-	-
Depreciation of Fixed Assets	2,123,986,018.08	320,537,663.22	1,996,684,643.67	321,118,440.42
Fair value changes in trading financial assets Fair value changes	583,230,641.69	87,484,596.25	498,511,315.93	74,776,697.39
Non-controlling interests Consolidation Fair Value Adjustments	75,341,962.20	17,423,647.71	93,482,499.24	22,877,183.86
Long-term liabilities and provisions	82,198,111.15	26,565,781.21	86,704,219.08	28,053,933.11
Right-of-Use Assets	70,903,286.34	17,302,378.63	69,580,719.19	17,068,543.05
Short-term Liabilities, Reserves, and Accounts Payable	1,402,334.36	5,647,571.02	16,872,004.81	5,328,879.07
Receivables	4,187,734.92	1,226,841.21	1,170,750.00	256,650.35
Other	97,266,775.22	439,785,074.05	95,608,777.87	404,093,707.49
Deferred income tax assets	97,266,775.22	373,081,859.36	95,608,777.87	390,871,434.17
Deferred income tax liabilities	2,957,150,133.01	470,348,625.58	2,878,885,889.92	486,480,212.04

(3). Deferred income tax assets or liabilities presented on a net basis

Unit: Yuan Currency: Renminbi

√ Applicable □ Not applicable

Item	Deferred Tax Assets and Liabilities at Period-End Offset Amount	Deferred tax assets or liabilities after offsetting Balance at the end of the period	Opening balance of deferred tax assets and liabilities offset Amount	Deferred tax assets or liabilities after offsetting at the beginning of the period
Deferred income tax assets	97,266,775.22	373,081,859.36	95,608,777.87	390,871,434.17
Deferred income tax liabilities	97,266,775.22	373,081,859.36	95,608,777.87	390,871,434.17

(4). Details of Unrecognized Deferred Income Tax Assets

Unit: RMB Currency: Renminbi

√ Applicable □ Not Applicable

Item	Ending Balance	Beginning Balance
Tax-deductible temporary differences	-	-
Tax-deductible losses	1,770,316,098.67	1,390,771,158.12
Other	70,679,569.26	38,312,279.48
Total	1,840,995,667.93	1,429,083,437.60

(5). Unrecognized deferred tax assets from deductible losses will expire in the following years

√ Applicable □ Not applicable

Unit: Yuan Currency: Renminbi

Year	Ending Balance	Beginning Balance	Remarks
2024	-	2,469,970.54	
2025	8,857.51	-	
2026	10,073,500.19	1,500,824.66	
2027	55,427,821.55	1,136,218.18	
2028	104,455,871.78	679,209.12	
2029	158,528,025.57	-	
2029 and Beyond	39,192,336.96	11,194,582.79	
No maturity date	1,402,629,685.11	1,373,790,352.83	
Total	1,770,316,098.67	1,390,771,158.12	/

Additional Notes:

□ Applicable √ Not Applicable

30. Other Non-Current Assets

√Applicable □Not Applicable

Unit: Yuan Currency: Renminbi

Item	Ending Balance			Opening Balance		
	Book Balance	Impairment Reserve	Book Value	Book Balance	Impairment reserve	Carrying Amount
Contract acquisition cost	-	-	-	-	-	-
Contract Performance Costs	-	-	-	-	-	-
Cost of returns receivable	-	-	-	-	-	-
Contract Assets	-	-	-	-	-	-
Prepaid Long-Term Asset Acquisition Payments	122,641,390.94	-	122,641,390.94	131,389,544.32	-	131,389,544.32
Overseas Company Pension Fund Balance	54,125,681.05	-	54,125,681.05	39,419,169.38	-	39,419,169.38
Long-term loans provided to third parties	-	-	-	13,103,942.82	-	13,103,942.82
Warranty deposit exceeding one year	-	-	-	2,391,448.50	119,572.42	2,271,876.08

Project	Ending Balance			Opening Balance		
	Book Balance	Impairment Reserve	Book Value	Book Balance	Impairment reserve	Carrying Amount
Other	-	-	-	733,506.57	-	733,506.57
Total	176,767,071.99	-	176,767,071.99	187,037,611.59	119,572.42	186,918,039.17

Other Notes:
None

31. Assets with Restricted Ownership or Usage Rights

√ Applicable □ Not Applicable

Unit: CNY Currency: Renminbi

Item	End of Period				Opening Balance			
	Book Balance	Book Value	Restriction Type	Restriction Status	Book Balance	Book value	Restricted Type	Restricted Circumstances
Cash and Cash Equivalents	511,252,578.57	511,252,578.57	Other	Funds used for letters of guarantee, etc. Restricted	188,870,550.29	188,870,550.29	Other	Funds subject to restrictions such as letters of guarantee Restricted
Notes receivable					121,093,458.83	121,093,458.83	Pledged	Bank Accepted Bill Margin and Time Deposits
Pledged Accounts Receivable *1	323,619,974.69	302,439,494.29	Pledged	Photovoltaic power station electricity fee Revenue Rights Pledge	278,690,709.34	260,153,379.14	Pledge	Photovoltaic Power Station Electricity Fees Revenue Rights Pledge
Pledged Long-Term Equity Equity Investment*2	297,400,000.00	297,400,000.00	Pledged	Pledge collateral	297,400,000.00	297,400,000.00	Pledge	Pledge Guarantee
Assets used for collateral Net asset value	860,923,407.94	557,057,583.83	Mortgage	Loan collateral	906,850,272.27	576,312,280.24	Mortgage	Loan Collateral
Ofwhich: Buildings *3	564,713,699.78	342,469,815.14	Mortgage	Mortgage on loans	564,623,046.28	359,467,497.85	Mortgage	Loan Collateral
Buildings*3	41,487,995.04	41,487,995.04	Mortgage	Loan Collateral	93,856,955.60	40,520,156.85	Mortgage	Loan Collateral
Land Use Rights*4	40,551,734.00	26,903,447.06	Mortgage	Loan Collateral	62,950,454.00	50,109,483.82	Mortgage	Loan Collateral
Photovoltaic	214,169,979.12	146,196,326.59	Mortgage	Loan Collateral	185,419,816.39	126,215,141.72	Mortgage	Loan Collateral

Other Notes:

*1 Zhejiang Longneng borrowed RMB 80,000,000.00 from China Development Bank Co., Ltd. with a loan term from June 29, 2015 to June 29, 2030, and borrowed RMB 68,000,000.00 with a repayment period from January 21, 2016 to January 21, 2030. Wolong Holding provided full guarantees for the aforementioned loans. Zhejiang Longneng pledged assets owned by its Shaoxing Coastal Industrial Cluster Area Distributed Photovoltaic Demonstration Zone and pledged the electricity fee collection rights and other related income from Zhejiang Longneng's Shaoxing Coastal Industrial Cluster Area Distributed Photovoltaic Demonstration Zone project as collateral. As of December 31, 2024 31, the book value of the mortgaged fixed assets in the Shaoxing Coastal Industrial Cluster Area Distributed Photovoltaic Demonstration Zone was RMB 118,963,185.76, and the book value of the pledged accounts receivable was RMB 30,139,185.28. As of December 31, 2024, the outstanding loan balance was RMB 41,180,000.00, including RMB 9,900,000.00 reclassified to non-current liabilities due within one year and accrued interest of RMB 79,365.55.

Zhejiang Longneng entered into a merger loan agreement with Agricultural Bank of China Co., Ltd. Shaoxing Shangyu Sub-branch for a total loan amount of RMB 160,000,000.00, with a loan term from December 29, 2020, to August 2022, Zhejiang Longneng pledged 7 million shares of Xintairunxi, 9.1 million shares of Leling Ronghui, 14 million shares of Liaocheng Guoneng 14 million shares of equity in Liaocheng Guoneng, 9.1 million shares of equity in Zibo Jingyu, 11.2 million shares of equity in Shenyang Junhui, 3.5 million shares of equity in Shenyang Haoyao, 7 million shares of equity in Shenyang Huanuan, and 7 million shares of equity in Taizhou Xinbaihui as collateral for the loan. The collateral includes pledged equity interests and power plant revenue rights from eight companies including Shenyang Haoyao. As of December 31, 2024, the carrying value of pledged accounts receivable was RMB 78,697,975.77. As of December 31, 2024, the outstanding loan balance was RMB 37,500,000.00, of which RMB 37,500,000.00 was reclassified to non-current liabilities due within one year.

, the outstanding loan balance was RMB 37,500,000.00, including RMB 37,500,000.00 reclassified to non-current liabilities due within one year and accrued interest of RMB 84,965.27.

Zhejiang Longneng subsidiary Duchang Longneng entered into a fixed asset loan agreement with Industrial and Commercial Bank of China Limited Duchang Sub-branch. The contract amount is RMB 190,000,000.00, with a loan term from February 10, 2020 to October 20, 2034. The Company provided a guarantee for the aforementioned loan, and Duchang Longneng pledged its electricity fee collection rights as collateral. As of December 31, 2024, the pledged accounts receivable under this contract had a book value of RMB 97,073,909.28. As of December 31, 2024, the outstanding loan balance was RMB 64,500,000.00.

book value of the pledged accounts receivable was RMB 97,073,909.28. As of December 31, 2024, the outstanding loan balance was RMB 64,500,000.00, of which RMB 18,500,000.00 and accrued interest payable of RMB 100,368.06.

Zhejiang Longneng entered into a merger loan agreement with Industrial and Commercial Bank of China Limited, Shaoxing Shangyu Sub-branch, with a contract amount of RMB 150,000,000.00. The Company provided a guarantee for the aforementioned loan. Three subsidiaries—Penglai Lujie, Huai'an Ruihong, and Tongling Quanhui—each provided a pledge guarantee of 70% of their equity, with the number of shares pledged being 21 million, 3.5 million, and 7 million shares, respectively. Penglai Lujie, Huai'an Ruihong, and Tongling Quanhui also pledged their confirmed but uncollected national power generation subsidy receivables as collateral. As of December 31, 2024, the carrying value of the pledged accounts receivable under this contract was RMB 94,683,920.23. As of December 31, 2024, December 31, 2024, the outstanding loan balance was RMB 126,140,000.00, including RMB 13,100,000.00 reclassified to non-current liabilities due within one year and accrued interest payable of RMB 224,640.54.

Zhejiang Longneng subsidiary Chizhou Guichi Longneng signed a finance lease agreement (direct lease) with Zhejiang Zheyin Financial Leasing Co., Ltd. The lease amount is RMB 20 million, with a lease term from August 13, 2024, to August 15, 2032. to August 15, 2032. Chizhou Guichi Longneng pledged the electricity revenue rights from the distributed photovoltaic power generation facilities installed on the rooftops of Buildings 4, 5, and 6 of Chizhou Huicheng Waste Resource Comprehensive Utilization Co., Ltd., with a total capacity of 8,317.20 kW, as collateral. Zhejiang Longneng provided guarantees for the aforementioned financial leasing operations. As of December 31, 2024, the aforementioned photovoltaic power stations are still under construction and have not yet been connected to the grid for power generation. . Zhejiang Longneng provided a guarantee for the aforementioned financial leasing transaction. As of December 31, 2024, the aforementioned photovoltaic power stations were still under construction and had not yet been connected to the grid for power generation. The book value of the mortgaged construction-in-progress

has a carrying value of RMB 13,779,551.90. Additionally, Chizhou Guichi Longneng entered into a finance lease agreement (sale-and-leaseback) with Zhejiang Zheying Financial Leasing Co., Ltd., with a principal amount of RMB 10 million. The lease term

term is from August 9, 2024 to August 9, 2032. Chizhou Guichi Longneng pledged the electricity revenue rights of the distributed

Zhejiang Longneng provided a guarantee for the aforementioned financial leasing transaction. As of December 31, 2024, the book value of the pledged accounts receivable under this contract was RMB 1,844,503.73

, while the book value of the mortgaged fixed assets was RMB 13,453,588.93. Concurrently, Zhejiang Longneng provided a pledge guarantee for the above two financial leasing transactions using 100% equity of Chizhou Guichi Longneng, corresponding to a registered capital of RMB 100

.

*2 Pursuant to Loan Agreements (2022) JinChuYin (Zhe XinHe) No. 2-061 and (2023) JinChuYin (Zhe XinHe) No. 4-047 signed between the Company and China Exim Bank Zhejiang Branch, the Company pledged

a building with a book value of RMB 299,213,663.90 as collateral and 198 million shares of Nanyang Explosion-Proof as pledged collateral. As of 2024, As of December 31, the outstanding loan balance was RMB 300,000,000.00, including RMB 300,000,000.00 reclassified to non-current liabilities due within one year and accrued interest payable of RMB 246,666.67.

Pursuant to Loan Agreements (2023) JinChuYin (Zhe XinHe) No. 4-004, (2023) JinChuYin (Zhe XinHe) No. 4-010, and (2023) JinChuYin (Zhe XinHe) No. No. 4-018, the Company pledged buildings with a book value of RMB 299,213,663.90 as collateral, pledged 198 million shares of Nanyang Explosion-Proof as security, and had Wolong Holding serve as guarantor

. As of December 31, 2024, the outstanding loan balance was RMB 380,000,000.00, of which RMB 380,000,000.00 was reclassified as non-current liabilities due within one year liabilities amounting to RMB 380,000,000.00, with accrued interest of RMB 340,555.56.

*3 Qingjiang Electric mortgaged buildings with a book value of RMB 23,664,593.62 to Agricultural Bank of China Co., Ltd. Huai'an Chengnan Sub-branch to apply for bank acceptance bills and other loans. As of December 31, 2024, the outstanding loan balance was RMB 0.00, and the mortgage remains unrelieved.

ATB Tamel S.A. pledged buildings with a book value of EUR 5,512,842.00 (equivalent to RMB 41,487,995.04) as collateral for a loan from Alior Bank. As of December 31, 2024, the outstanding loan balance was EUR 1,022,712.00, equivalent to RMB 7,696,623.70.

*4 Jinan Electric Machinery pledged buildings valued at RMB 19,591,557.62 and land use rights valued at RMB 26,903,447.06 as collateral for a credit facility from China

Construction Bank Corporation Zhangqiu Sub-branch.

Mortgage. As of December 31, 2024, the outstanding loan balance was RMB 0.00, and the mortgage remains unrelieved.

32. Short-Term Borrowings

(1). Classification of Short-Term Borrowings

√ Applicable □ Not Applicable

Unit: RMB Currency: Renminbi

Item	Ending Balance	Opening Balance
Pledged Loans	-	-
Mortgage Loan	-	1,240,928.38
Guaranteed Loan	137,269,805.77	76,634,679.00
Unsecured Loans	1,384,629,708.90	876,066,583.33
Bill Financing (Bill Discounting, Bill Discounting, etc.)	793,000,000.00	243,000,000.00
Interest Payable on Borrowings	1,058,447.23	713,200.00
Total	2,315,957,961.90	1,197,655,390.71

Explanation of short-term borrowings classification:
None

(2). Status of Overdue Short-Term Loans

□ Applicable √ Not applicable

Details of significant overdue short-term loans are as follows:

□ Applicable √ Not Applicable

Other Notes:

□ Applicable √ Not Applicable

33. Trading Financial Liabilities

√ Applicable □ Not applicable

Unit: Yuan Currency: Renminbi

Item	Opening Balance	Ending Balance	Reason and Basis for Designation
Trading Financial Liabilities	-	-	/
Among these:			
Designated as measured at fair value with changes at fair value through profit or loss	221,257.41	189,147.00	
Of which:			
Foreign exchange derivatives	221,257.41	189,147.00	
Additional Notes:Total	221,257.41	189,147.00	/

□ Applicable √ Not Applicable

34. Derivative Financial Liabilities

□ Applicable √ Not Applicable

35. Notes Payable

(1). Notes Payable Presentation

√Applicable □Not applicable

Unit: Yuan Currency: Renminbi

Type	Ending Balance	Opening Balance
Commercial Accepted Bills	47,168,382.42	187,761,951.11
Bank Accepted Bills	119,078,899.06	273,033,496.73
Total	166,247,281.48	460,795,447.84

The total amount of notes payable due and unpaid at the end of the period is ¥0. **36. Accounts Payable**

(1). Accounts Payable Disclosure

√ Applicable □ Not Applicable

Unit: RMB Currency: Renminbi

Item	Ending Balance	Opening Balance
Within 1 year (including 1 year)	5,004,289,295.34	4,413,362,018.58
1 to 2 years (including 2 years)	230,250,344.09	230,261,729.61
2 to 3 years (including 3 years)	36,249,240.25	37,347,780.98
Over 3 years	36,666,081.43	49,687,673.77
Total	5,307,454,961.11	4,730,659,202.94

(2). Significant Accounts Payable Over 1 Year Old or Past Due

□Applicable √Not applicable

Other Notes:

□Applicable √Not applicable

37. Prepayments

(1). Presentation of advance receipts

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Item	Ending Balance	Beginning Balance
Within One Year	350,729.25	392,000.52
Total	350,729.25	392,000.52

(2). Significant advance receipts over 1 year old

□Applicable √Not applicable

(3). Amount and reason for significant changes in carrying amount during the reporting period

□Applicable √Not applicable

Other Notes:

□ Applicable √ Not applicable

38. Contract Liabilities

(1). Contract Liabilities

√ Applicable □ Not Applicable

Unit: CNY Currency: Renminbi

Item	Ending Balance	Opening Balance
Contracts Receivable	338,949,522.13	359,645,581.48
Total	338,949,522.13	359,645,581.48

(2). Significant Contractual Liabilities Over 1 Year Old

□Applicable √Not applicable

(3). Amount and reason for significant changes in book value during the reporting period

□ Applicable √ Not applicable

Other Explanations:

□ Applicable √ Not applicable

39. Employee Benefits Payable

(1). Presentation of Employee Benefits Payable

√ Applicable □Not Applicable

Unit: Yuan Currency: Renminbi

Item	Opening Balance	Increase for the Period	Current Period Decrease	Ending Balance
I. Short-Term Compensation	273,969,833.78	2,445,358,751.22	2,452,041,624.74	267,286,960.26
II. Post-Employment Benefits - Defined Contribution Plan	14,145,758.36	132,601,255.15	120,719,968.82	26,027,044.69
III. Severance Benefits	-	5,647,294.73	5,647,294.73	-
IV. Other Benefits Due Within One Year	760,742.65	7,472,110.75	7,452,861.72	779,991.68
Interest				
Total	288,876,334.79	2,591,079,411.85	2,585,861,750.01	294,093,996.63

(2). Short-term compensation disclosed

√ Applicable □ Not Applicable

Unit: CNY Currency: Renminbi

Item	Opening Balance	Increase for the Period	Current Period Decrease	Ending Balance
I. Wages, Bonuses, Allowances, and	248,098,067.96	2,282,465,073.80	2,289,766,225.38	240,796,916.38
Allowances				
II. Employee Welfare Expenses	1,378,033.13	46,864,007.14	48,139,853.44	102,186.83
III. Social Insurance Contributions	7,860,438.11	75,384,621.46	74,717,744.80	8,527,314.77
Of which: Medical insurance premiums	7,696,320.32	69,036,679.38	68,379,382.78	8,353,616.92
Workers' Compensation Insurance Premium	20,911.13	4,136,626.68	4,127,158.27	30,379.54
Maternity Insurance Premium	143,206.66	2,211,315.40	2,211,203.75	143,318.31
IV. Housing Provident Fund	380,747.46	26,261,416.53	26,328,187.11	313,976.87

Item	Opening Balance	Increase for the Period	Current Period Decrease	Ending Balance
VII. Short-Term Profit Sharing Plan	-	-	-	-
Total	273,969,833.78	2,445,358,751.22	2,452,041,624.74	267,286,960.26

(3). Statutory Reserve Plan Schedule

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Item	Opening Balance	Increase for the Period	Decrease for the period	Ending Balance
1. Basic Pension Insurance	14,107,094.54	129,342,130.85	117,454,403.01	25,994,822.38
2. Unemployment Insurance Premium	38,663.82	3,259,124.30	3,265,565.81	32,222.31
3. Enterprise Annuity Contributions	-	-	-	-
Total	14,145,758.36	132,601,255.15	120,719,968.82	26,027,044.69

Other Notes:

□ Applicable √ Not Applicable

40. Taxes Payable

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Item	Ending Balance	Opening Balance
Value-Added Tax	40,906,648.08	65,000,405.66
Consumption Tax	-	-
Business Tax	-	-
Corporate Income Tax	104,310,515.86	97,534,410.57
Individual Income Tax	6,124,800.02	9,886,088.78
Urban Maintenance and Construction Tax	4,073,522.95	2,678,848.86
Stamp Tax	2,161,279.73	1,977,277.10
Education Surcharge	1,726,306.61	1,034,205.67
Local Education Surcharge	1,145,638.99	971,022.16
Land Use Tax	3,597,185.19	3,612,221.23
Property Tax	3,021,119.74	2,400,862.57
Other	3,995,187.61	3,588,233.09
Total	171,062,204.78	188,683,575.69

Other Notes:
None

41. Other Payables

(1). Item Listing

√ Applicable □ Not Applicable

Unit: CNY Currency: Renminbi

Item	Ending Balance	Opening Balance
Interest Payable	-	-
Dividends Payable	-	-
Other Payables	599,252,853.15	911,857,016.85
Total	599,252,853.15	911,857,016.85

Other Notes:

☐ Applicable √ Not Applicable

(2). Interest Payable

Classification

☐ Applicable √ Not Applicable

Overdue Significant Interest Payable:

☐ Applicable √ Not applicable

Other Notes:

☐ Applicable √ Not Applicable

(3). Classified presentation of dividends payable

☐ Applicable √ Not applicable

(4). Other Payables

Present other payables by nature of payment

√Applicable ☐Not applicable

Unit: Yuan Currency: Renminbi

Item	Ending Balance	Opening Balance
Accounts Receivable	326,714,617.04	411,615,446.26
Bid bond	59,384,697.75	90,340,193.75
Restricted Stock Repurchase Obligation	-	21,053,100.00
Accrued expenses	163,438,404.23	137,195,276.51
Other	49,715,134.13	251,653,000.33
Total	599,252,853.15	911,857,016.85

Significant other payables aged over 1 year or past due

☐Applicable √Not applicable

Other Notes:

☐Applicable √Not applicable

42. Liabilities held for sale

☐Applicable √Not applicable

43.

√ Applicable ☐ Not applicable

Unit: Yuan Currency: Renminbi

Item	Ending Balance	Beginning Balance
Long-term loans due within one year	2,147,708,779.88	1,254,382,915.41
Bonds payable due within one year	-	-
Long-term payables due within one year	1,561,642.28	-
Lease liabilities due within one year	26,512,255.88	23,472,516.19

Item	Ending Balance	Beginning Balance
Interest Accrued on Borrowings Due Within One Year	4,362,858.98	7,149,552.53
Total	2,180,145,537.02	1,285,004,984.13

Other Notes:
None

44. Other Current Liabilities Details of Other Current Liabilities

√ Applicable ☐ Not applicable

Unit: CNY Currency: Renminbi

Item	Ending Balance	Beginning Balance
Short-term Bonds Payable	-	-
Payable for Returns	-	-
Endorsed but Unmatured Notes Receivable	332,446,660.85	87,672,284.55
Input VAT to be carried forward	29,064,259.45	39,411,783.74
Other	4,861,922.76	1,426,880.41
Total	366,372,843.06	128,510,948.70

Changes in Short-Term Bonds Payable:

☐ Applicable √ Not Applicable

Other Notes:

☐ Applicable √ Not Applicable

45. Long-term borrowings

(1). Classification of Long-Term Borrowings

√ Applicable ☐ Not Applicable

Unit: Yuan Currency: Renminbi

Item	Ending Balance	Opening Balance
Pledged Loans	-	-
Mortgage Loan	-	317,325,669.27
Guaranteed Loans	1,307,200,000.00	1,815,953,103.65
Credit Loans	740,100,000.00	623,500,000.00
Pledged + Guaranteed Loans	228,140,000.00	293,584,127.96
Pledged + Guaranteed + Mortgaged Loans	38,147,404.79	431,080,000.00
Total	2,313,587,404.79	3,481,442,900.88

Notes on Classification of Long-Term Borrowings:
None

Other Notes:

☐ Applicable √ Not Applicable

46. Bonds Payable

(1). Bonds Payable

☐Applicable √Not Applicable

(2). Details of bonds payable: (excluding other financial instruments such as preferred shares and perpetual bonds classified as financial liabilities)

☐ Applicable √ Not Applicable

(3). Notes on Convertible Bonds

☐ Applicable √ Not applicable

Accounting treatment and basis for determining conversion rights

☐Applicable √Not applicable

(4). Description of Other Financial Instruments Classified as Financial Liabilities

Basic Information on Other Financial Instruments Outstanding at Period-End (e.g., Preferred Shares, Perpetual Bonds)

☐Applicable √Not applicable

Statement of Changes in Financial Instruments Issued and Outstanding at the End of the Period (e.g., Preferred Shares, Perpetual Bonds)

☐Applicable √Not applicable

Basis for Classifying Other Financial Instruments as Financial Liabilities

☐ Applicable √ Not Applicable

Other Notes:

☐ Applicable √ Not Applicable

47. Lease liabilities

√Applicable ☐Not applicable

Unit: Yuan Currency: Renminbi

Item	Ending Balance	Beginning Balance
Lease Payments	127,348,779.64	169,439,335.86
Unrecognized Financing Costs	-32,208,943.02	-36,480,113.30
Total	95,139,836.62	132,959,222.56

Other Notes:
None

48. Long-Term Payables

Item Listing

√ Applicable □ Not Applicable

Unit: CNY Currency: Renminbi

Item	Ending Balance	Beginning Balance
Long-Term Payables	17,775,143.14	3,497,829.35
Special-purpose payables	-	-
Total	17,775,143.14	3,497,829.35

Additional Notes:

□ Applicable √ Not Applicable

Long-term Payables

(1). Presentation of Long-Term Payables by Nature of Funds

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Item	Ending Balance	Opening Balance
Finance Lease Payables	17,775,143.14	3,497,829.35

Other Notes:
None

Special-purpose payables

(1). Special-purpose payables by nature of funds

□ Applicable √ Not Applicable

49. Long-term Employee Benefits Payable

√ Applicable □ Not applicable

(1). Long-Term Employee Benefits Payable Schedule

√ Applicable □ Not applicable

Unit: CNY Currency: Renminbi

Item	Ending Balance	Opening Balance
I. Post-employment Benefits - Net Liability of Defined Benefit Plans	110,872,692.53	126,306,393.49
II. Termination Benefits	-	-
III. Other Long-Term Benefits	469,121.06	-
Total	111,341,813.59	126,306,393.49

(2). Changes in Defined Benefit Plans Present Value of Defined Benefit Obligations:

□ Applicable √ Not Applicable

Plan Assets:

□ Applicable √ Not applicable

Net Liability (Net Asset) of Defined Benefit Plan

☐Applicable √Not Applicable

Description of the Defined Benefit Plan and Related Risks, Impact on the Company's Future Cash Flows, Timing, and Uncertainty:

☐Applicable √Not applicable

Description of significant actuarial assumptions and sensitivity analysis results for the defined benefit plan

☐ Applicable √ Not Applicable

Other notes:

☐ Applicable √ Not applicable

50. Estimated Liabilities

√ Applicable ☐ Not Applicable

Unit: Yuan Currency: Renminbi

Item	Ending Balance	Opening Balance	Reason for Formation
Guarantees Provided to External Parties	-	-	-
Pending Litigation	-	-	-
Product Quality Assurance	13,293,269.02	18,352,304.02	-
Restructuring Obligations	-	-	-
Loss-making contracts pending execution	-	-	-
Returns payable	-	-	-
Other	-	-	-
Total	13,293,269.02	18,352,304.02	/

Other Notes, Including Significant Assumptions and Estimates Related to Material Contingent Liabilities: None

51. Deferred Revenue

Deferred Revenue Details

√ Applicable ☐ Not applicable

Unit: CNY Currency: Renminbi

Item	Opening Balance	Increase for the Period	Current Period Decrease	Ending Balance	Reason for Formation
Government subsidy	149,191,775.34	45,908,490.00	13,819,579.61	181,280,685.73	Comprehensive Income Related
Total	149,191,775.34	45,908,490.00	13,819,579.61	181,280,685.73	/

Additional Notes:

☐Applicable √ Not Applicable

52. Other Non-Current Liabilities

√ Applicable ☐ Not Applicable

Unit: Yuan Currency:

Item	Ending Balance	Opening Balance
Contract Liabilities	-	-
Equity Financing with Long-Term Debt Characteristics	72,000,000.00	104,000,000.00

Renminbi

Project	Ending Balance	Beginning Balance
Other	201,911.97	3,153,351.38
Total	72,201,911.97	107,153,351.38

Other Notes:
None

53. Share Capital

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

	Opening Balance	Increase/Decrease in Current Period (+, -)					Ending Balance
		New Issuance Shares	Bonus Issue	Capital reserve conversion to shares	Other	Subtotal	
Shares	1,311,240,126.00	-	-	-	-8,617,500.00	-8,617,500.00	1,302,622,626.00
Total							

Additional Notes:

Changes and Reasons for Changes During the Period:

The decrease in share capital resulted from the repurchase and cancellation of 2,949,000 restricted shares that had not been released from restrictions, as well as the cancellation of 5,668,500 shares repurchased in prior years.

shares repurchased in prior years. The total share capital decreased from 1,311,240,126 shares to 1,302,622,626 shares.

54. Other Equity Instruments

(1). Basic Information on Other Financial Instruments Issued and Outstanding at the End of the Period (e.g., Preferred Shares, Perpetual Bonds)

□ Applicable √ Not applicable

(2). Statement of Changes in Outstanding Financial Instruments at Period-End (Preferred Shares, Perpetual Bonds, etc.)

□ Applicable √ Not Applicable

Explanation of changes in other equity instruments during the period, reasons for such changes, and basis for related accounting treatment:

□ Applicable √ Not Applicable

Other Notes:

□ Applicable √ Not Applicable

55. Capital Surplus

√ Applicable □ Not applicable

Unit: Yuan Currency: Renminbi

Item	Opening Balance	Increase for the Period	Current Period Decrease	Closing Balance
Capital Premium (Share Premium) Premium)	1,957,725,055.64	20,078,399.14	90,091,125.86	1,887,712,328.92
Other Capital Surplus	10,616,658.61	3,570,223.69	3,388,715.24	10,798,167.06
Total	1,968,341,714.25	23,648,622.83	93,479,841.10	1,898,510,495.98

Other Notes, Including Changes During the Period and Explanations for Such Changes:

1. Changes in share premium during the current period were primarily attributable to the acquisition of minority interests and the repurchase and cancellation of shares.

2. The change in other capital reserves for the current period was primarily due to changes in the investee's equity other than net profit or loss and other comprehensive income.

56. Treasury stock

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Item	Opening Balance	Increase for the Period	Current Period Decrease	Ending Balance
Restricted Stock Repurchase Obligation	21,053,100.00	-	21,053,100.00	-
Stock Repurchase	66,108,580.00	60,013,402.35	66,108,580.00	60,013,402.35
Total	87,161,680.00	60,013,402.35	87,161,680.00	60,013,402.35

Other Notes, Including Changes During the Period and Explanation of Reasons:

1. The decrease in restricted stock repurchase obligations this period resulted from canceling expired portions of prior-year equity incentive plans and repurchasing shares from departed employees.

2. The change in stock repurchases for the current period resulted from the cancellation of previously repurchased shares and the addition of new repurchased shares during the current period.

57. Other Comprehensive Income

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Item	Opening Balance	Current Period Amount						Ending Balance
		Current Period Income Before Income Tax	Less: Amounts transferred from other comprehensive income Transfer to profit or loss for the period	Less: Amounts transferred from other comprehensive income to profit or loss in the current period Transfer to Retained Earnings	Less: Income tax expense	Net income attributable to owners of the parent After tax	Attributable to minority interests after tax	
I. Other Comprehensive Income Not Reclassifiable to Profit or Loss	-35,507,003.44	5,393,699.29	-	-	-	5,393,699.29	-	-30,113,304.15
Other Comprehensive Income								

Project	Opening Balance	Current Period Amount						Ending Balance
		Current Period Amount Before Income Tax	Less: Amounts transferred from other comprehensive income in prior periods Transferred to profit or loss for the current period	Less: Amounts transferred from other comprehensive income to profit or loss during the current period Transfer to Retained Earnings	Less: Income tax expense After tax	Net income attributable to owners of the parent	Attributable to minority interests after tax	
Other comprehensive income								
Investments in Other Equity Instruments Fair value changes	713,141.07	-	-	-	-	-	-	713,141.07
Enterprise Credit Risk Fair value changes	-	-	-	-	-	-	-	-
II. Other comprehensive income reclassified into profit or loss Other Comprehensive Income	-199,974,812.33	10,032,928.87	1,703,647.76	-	-	7,478,773.52	850,507.59	-192,496,038.81
Of which: Other comprehensive income attributable to non-controlling interests under the equity method Other comprehensive income attributable to equity method investees	1,706,440.89	-2,793.13	1,703,647.76	-	-	-1,706,440.89	-	-
Fair value changes in other debt investments Value Changes	-	-	-	-	-	-	-	-
Financial assets reclassified to other comprehensive income Amount	-	-	-	-	-	-	-	-

Other Debt Investments Credit Impairment Reserve	-	-	-	-	-	-	-	-
Cash Flow Hedge Reserve	-	-	-	-	-	-	-	-
Foreign Currency Financial Statement Translation Difference	-201,681,253.22	10,035,722.00	-	-	-	9,185,214.41	850,507.59	-192,496,038.81
Total Other Comprehensive Income	-235,481,815.77	15,426,628.16	1,703,647.76	-	-	12,872,472.81	850,507.59	-222,609,342.96

Other notes, including the effective portion of gains or losses on cash flow hedges transferred to adjustments to the initial recognition amount of the hedged item: None

58. Special Reserves

√ Applicable □ Not Applicable

Unit: CNY Currency: Renminbi

Item	Opening Balance	Increase for the Period	Current Period Decrease	Ending Balance
Work Safety Expenses	1,817,818.49	2,699,900.88	597,083.89	3,920,635.48
Total	1,817,818.49	2,699,900.88	597,083.89	3,920,635.48

Other Notes, including changes during the period and reasons for changes: None

59. Retained Earnings

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Item	Opening Balance	Increase for the Period	Current Period Decrease	Ending Balance
Legal Reserve Fund	532,910,559.09	44,913,756.09	-	577,824,315.18
Discretionary Reserve	16,111,061.80	-	-	16,111,061.80
Reserve Fund	-	-	-	-
Enterprise Development Fund	-	-	-	-
Other	-	-	-	-
Total	549,021,620.89	44,913,756.09	-	593,935,376.98

Statement of Retained Earnings, including changes during the period and reasons for such changes: The increase during the period resulted from the provision of statutory retained earnings calculated at 10% of the parent company's net profit.

60. Retained Earnings

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Project	Current Issue	Previous Period
Retained Earnings at End of Previous Period Before Adjustments	6,121,885,794.15	5,797,284,300.25
Adjusted opening retained earnings total (increases +, decreases -)	-221,533,304.69	-
Adjusted opening retained earnings	5,900,352,489.46	5,797,284,300.25
Add: Net profit attributable to owners of the parent for the period	792,825,176.52	529,851,084.57
Less: Statutory reserve provision	44,913,756.09	9,394,946.77
Transfer to discretionary reserve	-	-
Withdrawal from General Risk Reserve	-	-
Common Stock Dividends Payable	129,836,692.60	195,854,643.90
Common stock dividends transferred to capital	-	-
Retained earnings at end of period	6,518,427,217.29	6,121,885,794.15

Adjustment Details for Opening Retained Earnings:

1. Retrospective adjustments under the Enterprise Accounting Standards and related new regulations affected opening retained earnings by ¥0.

2. The change in accounting policies affected the opening retained earnings by RMB 0.

3. Correction of material accounting errors affected opening retained earnings by RMB 0.

4. Changes in the scope of consolidation due to common control affected opening retained earnings by RMB 0.

5. Other adjustments collectively affected opening retained earnings by -RMB 221,533,304.69.

61. Operating Revenue and Cost of Sales

(1). Operating Revenue and Cost of Sales

√ Applicable □ Not Applicable

Unit: RMB Currency: Renminbi

Item	Current Period Amount		Previous Period Amount	
	Revenue	Cost	Revenue	Cost
Main Business	15,855,991,564.26	12,039,052,186.80	15,225,791,042.74	11,451,402,470.52
Other Operations	391,048,796.64	300,763,343.14	341,035,943.47	253,167,304.66
Total	16,247,040,360.90	12,339,815,529.94	15,566,826,986.21	11,704,569,775.18

(2). Breakdown of Operating Revenue and Cost of Sales

□ Applicable √ Not Applicable

Other Notes:

□ Applicable √ Not Applicable

(3). Description of Performance Obligations

□Applicable √Not applicable

(4). Allocation to Remaining Performance Obligations

□ Applicable √ Not Applicable

(5). Material Contract Modifications or Significant Transaction Price Adjustments

□Applicable √Not Applicable

Other Notes:
None

62. Taxes and Surcharges

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Item	Current Period Amount	Previous Period Amount
Consumption Tax	2,792,085.79	3,473,913.89
Business Tax	-	-
Urban Maintenance and Construction Tax	20,458,514.06	23,238,796.05
Education Surcharge	9,428,293.20	10,099,409.98
Resource Tax	-	-
Property Tax	18,329,583.88	17,614,963.46
Land Use Tax	16,436,334.00	12,248,763.15
Vehicle and Vessel Tax	-	-
Stamp Tax	9,436,743.79	10,641,602.91
Local Education Surcharge	5,837,336.77	6,942,543.30
Customs Duties	-	712,593.38
Other	11,049,111.97	9,323,920.59
Total	93,768,003.46	94,296,506.71

Other Notes:
None

63. Selling Expenses

√ Applicable □ Not Applicable

Unit: CNY Currency: Renminbi

Item	Current Period Amount	Previous Period Amount
Employee Compensation	395,262,638.82	353,765,520.38
Travel expenses	156,857,883.43	118,211,986.28
Business entertainment expenses	111,819,993.64	100,784,514.38
Sales commissions	30,692,041.31	39,825,280.64
Depreciation and Amortization	18,231,354.09	16,197,411.38
Advertising and Business Promotion Expenses	19,475,889.82	24,970,015.20
Office Communication Expenses	20,294,116.25	13,173,181.26
Rental Fees	12,066,396.77	7,825,560.20
Other	15,620,772.69	29,319,193.52
Total	780,321,086.82	704,072,663.24

Other Notes:
None

64. Administrative Expenses

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Item	Current Period Amount	Previous Period Amount
Employee Compensation	715,017,444.83	730,326,119.66
Depreciation and Amortization Expense	176,135,597.48	147,742,362.00
Professional service fees	105,427,322.63	120,764,836.05
Office Expenses	103,627,963.35	94,376,863.85
Rental expenses	44,436,092.98	51,749,184.69
Travel expenses	52,524,057.87	61,344,218.20
Maintenance Expenses	34,471,434.35	33,009,619.09
Insurance Expenses	22,412,185.55	20,145,907.84
Entertainment Expenses	24,851,067.89	27,766,215.27
Equity Incentive Expense	8,210,760.00	-5,122,377.91
Other	7,173,143.38	29,842,169.30
Total	1,294,287,070.31	1,311,945,118.04

Other Notes:
None

65. Research and Development Expenses

√ Applicable □ Not Applicable

Unit: CNY Currency: Renminbi

Item	Current Period Amount	Previous Period Amount
Employee Compensation	213,915,453.44	161,678,344.12
Depreciation and amortization	95,242,685.72	79,567,837.77
Materials	276,611,914.58	273,764,376.77
Expenses and Other	56,421,168.71	42,396,688.36
Total	642,191,222.45	557,407,247.02

Other Notes:
None

66. Financial Expenses

√ Applicable □ Not Applicable

Unit: CNY Currency: Renminbi

Item	Current Period Amount	Previous Period Amount
Interest Expense	248,844,853.55	251,898,557.60
Less: Interest Income	49,416,932.26	25,350,981.59
Add: Foreign exchange gains/losses	-9,730,745.72	-30,289,918.06
Add: Amortized unrecognized financing costs	4,346,026.54	497,571.07
Commission Expenses	5,358,360.51	19,002,422.31
Other	-562,504.15	-1,517,991.27
Total	198,839,058.47	214,239,660.06

Other Notes:
None

67. Other Income

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Classified by Nature	Current Period Amount	Previous Period Amount
Government Grants Related to Income	64,608,825.35	167,684,418.27
Input Tax Deduction	68,745,626.53	55,234,333.28
Government grants related to assets	13,819,579.61	15,387,503.13
Value-added tax refunds	1,628,806.08	4,078,356.44
Individual Income Tax Handling Fee Refund	591,709.75	667,978.74
Total	149,394,547.32	243,052,589.86

Other Notes:
None

68. Investment Income

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Item	Current Period Amount	Previous Period Amount
Equity Method Investment Income	2,056,335.98	-24,203,354.14
Gain on disposal of long-term equity investments	4,351,200.69	9,714,202.93
Investment income from trading financial assets during holding period	-	-
Dividend income from other equity instruments during holding period	-	-
Interest income earned on debt investments during the holding period	-	-
Interest income earned on other debt investments during the holding period	-	-
Investment gains from disposal of trading financial assets	-533,875.90	-427,457.04
Investment income from disposal of other equity instruments	-	-
Investment income from disposal of debt investments	-	-
Investment income from disposal of other debt investments	-	-
Gains from debt restructuring	-	-
Performance Compensation	-	-186,053,351.63
Investment gains from derecognition of financial assets measured at amortized cost	-1,271,269.06	-19,400,460.42
Investment income from other non-current financial assets during the holding period	7,591,434.69	20,900,486.51
Investment income from disposal of other non-current financial assets	-	-281,361.96
Total	12,193,826.40	-199,751,295.75

Other Notes:
None

69. Net Hedging Gain

□ Applicable √ Not Applicable

70. Fair value change gains

√ Applicable □ Not Applicable

Unit: CNY Currency: Renminbi

Source of Fair Value Change Gains	Current Period Amount	Previous Period Amount
Trading financial assets	41,266,270.88	-1,011,500.17
Of which: Fair value changes arising from derivative financial instruments	-	-
Financial liabilities held for trading	-	904,149.78
Investment property at fair value	-	-
Other non-current financial assets	81,541,472.80	69,960,792.66
Equity Investments	-	158,078.61
Total	122,807,743.68	70,011,520.88

Other Notes:
None

71. Credit Impairment Loss

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Item	Current Period Amount	Previous Period Amount
Bad Debt Loss on Notes Receivable	-3,756.70	219.39
Bad debt expense on accounts receivable	-86,915,496.64	-85,963,508.50
Bad debt loss on other receivables	3,996,356.89	-4,768,743.77
Impairment loss on debt investments	-	-
Other impairment losses on debt investments	-	-
Bad debt losses on long-term receivables	-	-
Impairment Losses Related to Financial Guarantees	-	-
Bad debt losses on prepayments	-117,350.00	-
Total	-83,040,246.45	-90,732,032.88

Other Notes:
None

72. Asset Impairment Loss

√ Applicable □ Not Applicable

Unit: CNY Currency: Renminbi

Item	Current Period Amount	Previous Period Amount
I. Impairment Loss on Contract Assets	-3,685,441.30	-1,493,289.97
II. Inventory Write-Down Loss and Contract Performance Cost Impairment Loss	-42,408,745.03	-42,513,765.55
III. Impairment Loss on Long-Term Equity Investments	-60,079,737.55	-211,340,662.56
IV. Impairment Loss on Investment Properties	-	-
V. Impairment Loss on Fixed Assets	-1,818,536.79	-814,876.84
VI. Impairment Loss on Construction Materials	-	-
VII. Impairment Loss on Construction in Progress	-	-
VIII. Impairment Loss on Biological Assets Held for Production	-	-
IX. Impairment Losses on Oil and Gas Assets	-	-
X. Impairment Loss on Intangible Assets	-	-
XI. Goodwill Impairment Loss	-	2,301,493.88
XII. Other	-	-
XIII. Impairment Loss on Other Non-Current Assets	119,572.42	-119,572.42
Total	-107,872,888.25	-253,980,673.46

Other Notes:
None

73. Gain on asset disposal

√ Applicable □ Not Applicable

Unit: CNY Currency: Renminbi

Item	Current Period Amount	Previous Period Amount
Gain on disposal of non-current assets	20,218,329.18	49,327,875.10
Loss on disposal of non-current assets	-1,656,868.51	-28,064,626.04
Other	-4,077,040.42	-384,900.05
Total	14,484,420.25	20,878,349.01

Other Notes:
None

74. Non-operating Income

√ Applicable ☐ Not applicable

Unit: Yuan Currency: Renminbi

Item	Current Period Amount	Previous Period Amount	Amount Recognized as Non-Recurring Loss for the Current Period Amount
Total gains on disposal of non-current assets	-	-	-
Of which: Gains on disposal of fixed assets	-	-	-
Gain on disposal of intangible assets	-	-	-
Gain on Non-monetary Asset Exchange	-	-	-
Acceptance of Donations	-	-	-
Government Grants	301,911.84	8,204,951.31	301,911.84
Net Income from Penalties and Liquidated Damages	15,022,681.10	16,933,916.72	15,022,681.10
Insurance compensation	-	5,489,401.02	-
Uncollectible/Payable Accounts Receivable	8,201,656.45	1,986,612.91	8,201,656.45
Gain on disposal of non-current assets	297,397.26	242,024.98	297,397.26
Other	7,472,202.40	6,125,436.05	7,472,202.40
Total	31,295,849.05	38,982,342.99	31,295,849.05

Other Notes:
☐ Applicable √ Not Applicable

75. Non-operating Expenses

√ Applicable ☐ Not applicable

Unit: Yuan Currency: Renminbi

Item	Current Period Amount	Previous Period Amount	Amount Included in Non-Recurring Gains and Losses for the Current Period
Total Loss on Disposal of Non-Current Assets	6,165,767.68	3,861,102.05	6,165,767.68
Of which: Loss on disposal of fixed assets	-	-	-
Loss on disposal of intangible assets	-	-	-
Loss on non-monetary asset exchanges	-	-	-
External Donations	69,400.00	848,606.55	69,400.00
Penalty Expenses	8,610,010.52	9,789,223.23	8,610,010.52
Layoff Expenses	6,468,438.26	6,111,479.15	6,468,438.26
Quality Deduction	8,213,847.45	3,001,451.24	8,213,847.45
Inventory Shortage Loss	52,281.20	2,733,973.57	52,281.20
Late payment charges	8,187,760.25	170,239.44	8,187,760.25
Other	8,779,627.15	14,848,063.15	8,779,627.15
Total	46,547,132.51	41,364,138.38	46,547,132.51

Other Notes:
None

76. Income Tax Expense

(1). Income Tax Expense

Expense Schedule

Unit: CNY Currency: Renminbi

Item	Current Period Amount	Previous Period Amount
Current Income Tax Expense	213,063,521.72	180,510,171.11
Deferred income tax expense	-54,784,306.96	34,004,971.28
Total	158,279,214.76	214,515,142.39

√ Applicable □ Not Applicable

(2). Adjustment Process for Accounting Profit and Income Tax Expense

Unit: Yuan Currency: Renminbi

√ Applicable □ Not Applicable

Item	Current Period Amount
Total Profit	990,534,508.94
Income Tax Expense at Statutory/Applicable Tax Rate	148,580,176.35
Impact of Different Tax Rates Applied to Subsidiaries	49,725,268.90
Impact of adjusting prior period income taxes	11,537,880.93
Impact of non-taxable income	-26,176,355.97
Impact of non-deductible costs, expenses, and losses	9,949,184.78
Impact of utilizing previously unrecognized deferred tax assets from prior periods	1,115,689.86
Impact of unrecognized current period temporary differences or deductible losses for deferred tax assets	55,034,825.99
Impact of R&D tax credit	-86,718,191.73
Other	-4,769,264.35
Income Tax Expense	158,279,214.76

Other Notes:

□ Applicable √ Not Applicable

77. Other Comprehensive Income

√ Applicable □ Not Applicable See Notes

78. Cash Flow Statement Items

(1). Cash flows from operating activities

Other cash received from operating activities

√ Applicable □ Not applicable

Unit: Yuan Currency: Renminbi

Item	Current Period Amount	Previous Period Amount
Government Subsidies	111,109,025.10	263,958,001.73
Bid bonds and warranty deposits received	36,212,475.43	150,051,289.89
Received current funds	121,637,832.06	141,826,537.70
Interest on Bank Deposits	49,416,932.26	25,350,981.59
Other	75,889,393.16	30,535,366.70
Total	394,265,658.01	611,722,177.61

Cash received from other operating activities:
None

Cash paid for other operating activities
√ Applicable □ Not Applicable

Unit: RMB Currency: Renminbi

Item	Current Period Amount	Previous Period Amount
Cash Payments for Administrative/R&D Expenses	451,344,436.71	481,395,702.66
Cash paid for selling expenses	366,827,093.91	388,834,995.99
Payments for current funds	60,067,332.23	169,582,495.55
Deposits and guarantees paid	55,536,832.37	69,582,232.14
Bank fees	5,358,360.51	19,002,422.31
Total	939,134,055.73	1,128,397,848.65

Cash paid for other operating activities: None

(2). Cash flows from investing activities

Significant cash received from investing activities
√ Applicable □ Not Applicable

Unit: RMB Currency: Renminbi

Item	Current Period Amount	Previous Period Amount
Disposal of Partial Equity in Hongxiang Shares	-	344,212,096.90
Total	-	344,212,096.90

Cash received from significant investing activities

Cash paid for significant investing activities
√ Applicable □ Not Applicable

Unit: RMB Currency: Renminbi

Item	Current Period Amount	Previous Period Amount
Non-trading financial asset investments	-	98,842,419.38
Trading financial asset investments	15,448,641.31	-
Total	15,448,641.31	98,842,419.38

Cash paid for significant investing activities

Other cash received related to investing activities
√ Applicable □ Not Applicable

Unit: RMB Currency: Renminbi

Item	Current Period Amount	Previous Period Amount
Received Debt Payments	-	10,790,000.00
Total	-	10,790,000.00

Cash received from other activities related to investing activities: None

Other cash paid related to investing activities

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Item	Current Period Amount	Previous Period Amount
Cash Outflow from Disposal of Subsidiary	-	37,747.04
Economic compensation for Hongxiang Co., Ltd.	186,053,400.00	-
Purchase of Time Deposits	331,046,335.44	-
Total	517,099,735.44	37,747.04

Cash paid for other investing activities: None

(3). Cash flows from financing activities

Other cash received from financing activities

√ Applicable □ Not applicable

Unit: RMB Currency: Renminbi

Item	Current Period Amount	Previous Period Amount
Proceeds from Sale and Leaseback	20,497,505.14	-
Total	20,497,505.14	-

Cash received from other financing activities:
None

Other cash paid related to financing activities

√ Applicable □ Not Applicable

Unit: RMB Currency: Renminbi

Item	Current Period Amount	Previous period amount
Rent paid	21,629,870.81	17,508,525.35
Payments on Accounts Payable	3,000,000.00	14,838,722.55
Cash paid to minority shareholders for capital reduction of subsidiaries	8,000,000.00	-
Payment for share repurchase	82,889,417.39	25,640,761.99
Payment for acquisition of minority interests	2,060,000.00	54,989,762.50
Total	117,579,288.20	112,977,772.39

Cash paid for other financing activities: None

Changes in Liabilities Arising from Financing Activities

√ Applicable □ Not applicable

Unit: RMB Currency: Renminbi

Item	Opening Balance	Increase for the Period		Current Period Decrease		Ending Balance
		Cash Changes	Non-cash Changes	Cash Changes	Non-cash changes	
Short-term borrowings	1,197,655,390.71	2,755,334,597.45	1,058,447.23	1,637,375,607.38	714,866.11	2,315,957,961.90
Long-term borrowings (including current portion)	4,742,975,368.82	1,381,500,000.00	-	1,613,803,240.22	45,013,084.95	4,465,659,043.65
Lease liabilities (including those due within one year)	156,431,738.75	-	6,086,383.46	21,629,870.81	19,236,158.90	121,652,092.50
Other Non-Current Liabilities (including Current Portion)	107,153,351.38	-	-2,951,439.41	32,000,000.00	-	72,201,911.97
Total	6,204,215,849.66	4,136,834,597.45	4,193,391.28	3,304,808,718.41	64,964,109.96	6,975,471,010.02

(4). Notes on the Presentation of Cash Flows on a Net Basis

□ Applicable √ Not Applicable

(5). Significant activities not involving cash receipts or payments during the current period but affecting the enterprise's financial position or potentially affecting future cash flows, along with their financial impact

□ Applicable √ Not applicable

79. Supplementary Notes to the Cash Flow Statement

(1). Supplementary Notes to the Cash Flow Statement

√ Applicable ☐ Not Applicable

Unit: Yuan Currency: Renminbi

Supplementary Information	Current Period Amount	Previous Period Amount
1. Adjust net profit to cash flow from operating activities:		
Net Profit	832,255,294.18	552,877,535.84
Add: Asset impairment provisions	107,872,888.25	253,980,673.46
Credit impairment loss	83,040,246.45	90,732,032.88
Depreciation of fixed assets, depletion of oil and gas assets, amortization of productive biological assets Depreciation	482,219,960.17	433,464,171.94
Amortization of right-of-use assets	24,916,135.08	29,077,544.78
Amortization of intangible assets	232,560,563.34	199,036,263.41
Amortization of deferred expenses	10,554,500.11	11,985,675.68
Loss (Gain) on Disposal of Fixed Assets, Intangible Assets, and Other Long-Term Assets Gains are indicated with a "–" sign)	-14,484,420.25	-20,878,349.01
Loss on disposal of fixed assets (gain to be entered with a "-" sign)	5,868,370.42	3,619,077.07
Loss (Gain) from Fair Value Changes (Gains are indicated with a "–")	-122,807,743.68	-70,011,520.88
Financial expenses (gains are indicated with a "-" sign)	244,157,985.02	222,106,210.62
Investment Losses (Gains indicated with "—")	-12,193,826.40	199,751,295.75
Decrease in deferred tax assets (increase indicated by "-")	-35,693,266.86	-39,820,290.38
Increase in deferred income tax liabilities (decrease indicated with "-")	-17,789,583.81	74,728,377.32
Decrease in inventory (increase indicated by "—")	-243,394,737.63	-165,862,457.23
Decrease in operating receivables (increase indicated by "—")	-509,222,512.39	-476,390,433.35
Increase in operating payables (decrease indicated with "-")	469,789,419.89	335,451,050.90
Other		
Net Cash Flow from Operating Activities	1,537,649,271.89	1,633,846,858.80
2. Significant investment and financing activities not involving cash receipts or payments:		
Debt-to-equity swap	-	-
Convertible corporate bonds maturing within one year	-	-
Fixed assets under finance leases	-	-
3. Net Changes in Cash and Cash Equivalents:		
Cash balance at end of period	2,675,965,749.68	2,458,333,351.33
Less: Beginning balance of cash	2,458,333,351.33	2,010,171,287.91
Add: Closing balance of cash equivalents	-	-
Less: Beginning balance of cash equivalents	-	-
Net increase in cash and cash equivalents	217,632,398.35	448,162,063.42

(2). Net cash paid for acquisition of subsidiaries during the period

☐ Applicable √ Not Applicable

(3). Net cash received from disposal of subsidiaries during the period

☐ Applicable √ Not applicable

(4). Composition of cash and cash equivalents

√ Applicable □ Not applicable

Unit: RMB Currency: Renminbi

Item	Ending Balance	Opening Balance
I. Cash	2,675,965,749.68	2,458,333,351.33
Of which: Cash on Hand	1,124,363.90	948,207.22
Bank deposits available for immediate payment	2,652,033,634.79	2,450,468,677.13
Other monetary funds available for immediate payment	22,807,750.99	6,916,466.98
Deposits with central banks available for payment	-	-
Deposits with other financial institutions	-	-
Interbank placements	-	-
II. Cash Equivalents	-	-
Of which: Bond investments maturing within three months	-	-
III. Cash and Cash Equivalents at End of Period	2,675,965,749.68	2,458,333,351.33
Of which: Restricted cash and cash equivalents used by the parent company or subsidiaries within the group	502,258,678.57	188,870,550.29

(5). Cash and cash equivalents with restricted use but still presented as cash and cash equivalents

□ Applicable √ Not applicable

(6). Monetary funds not classified as cash and cash equivalents

□ Applicable √ Not applicable

Other Notes:

□ Applicable √ Not applicable

80. Notes to Statement of Changes in Equity Items

" "Other" Item name and adjustment amount, etc., for adjustments to the previous year's ending balance:

□Applicable √Not Applicable

81. Foreign Currency Monetary Items

(1). Foreign Currency Monetary Items

√ Applicable □ Not Applicable

Unit: Yuan

Item	Ending Foreign Currency Balance	Conversion Rate	End-of-Period Renminbi Balance
Cash and Cash Equivalents	-	-	2,173,515,047.67
Of which: USD	162,968,457.91	7.1884	1,171,482,462.84
Euro	61,271,502.83	7.5257	461,110,948.84
GBP	8,524,177.74	9.0765	77,369,699.26
Serbian dinar	67,191,508.00	0.0640	4,300,256.51
Other currencies	8,017,535,566.28		459,251,680.21
Accounts receivable	-	-	1,130,312,840.67
Of which: USD	85,182,523.16	7.1884	612,326,049.48
Euro	41,717,850.47	7.5257	313,956,027.28

Project	Ending Foreign Currency Balance	Conversion Rate	Ending Renminbi Balance
GBP	10,794,738.66	9.0765	97,978,445.45
Serbian dinar	629,276,995.49	0.0640	40,273,727.71
Other currencies	2,044,127,101.09		65,778,590.75
Other receivables	-	-	157,130,702.47
Of which: USD	13,511,207.59	7.1884	97,123,964.64
Euro	7,789,840.59	7.5257	58,624,003.33
Other currencies	3,787,378,582.00		1,382,734.50
Short-term borrowings	-	-	63,125.57
Of which: Euro	8,388.00	7.5257	63,125.57
Accounts Payable	-	-	563,836,855.10
Of which: USD	32,259,444.80	7.1884	231,893,793.00
Euro	19,951,492.81	7.5257	150,148,949.44
GBP	10,544,113.88	9.0765	95,703,649.63
Serbian dinar	310,289,742.06	0.0640	19,858,543.49
Other currencies	23,032,858,271.38		66,231,919.54
Other Payables	-	-	208,886,355.95
Of which: USD	1,270,053.83	7.1884	9,129,654.95
Euro	11,206,479.28	7.5257	84,336,601.12
GBP	3,722,682.13	9.0765	33,788,924.35
Serbian dinar	178,398,810.27	0.0640	11,417,523.86
Other currencies	1,652,062,986.99		70,213,651.67
Long-term payables	-	-	895,087.52
Of which: Other currencies	19,360,360.00	-	895,087.52
Long-term employee compensation payable	-	-	111,341,813.59
Of which: USD	1,226,028.00	7.1884	8,813,179.67
Euro	13,623,800.30	7.5257	102,528,633.92
Lease liabilities	-	-	41,760,668.18
Of which: USD	1,112,719.18	7.1884	7,998,670.55
Euro	4,486,226.88	7.5257	33,761,997.63

Other Notes:
None

(2). Disclosure of foreign operations, including for significant foreign operations: disclose the primary location of operations abroad, functional currency, and basis for selection. If the functional currency changes, also disclose the reason.

√ Applicable □ Not Applicable

Name of Foreign Operating Entity	Principal Place of Operations	Functional Currency	Basis for selection of functional currency
ATB Spielberg	Austria	EUR	IAS 21, based on the geographical location of the company's primary operations and the impact of risks ATB Welsheim
ATB Weilheim	Germany	EUR	IAS 21, based on the geographical location of the company's principal operations and the risks to which it is exposed

			ATB Wertheim
ATB Nördlingen	Germany	EUR	IAS 21, based on the geographical location of the company's principal operations and the risks to which it is exposed Based on the risk impact
ATB UK	UK	GBP	IAS 21, based on the geographical location of the company's primary operations and the risks and rewards associated with those operations and exposure to risks

Name of overseas operating entity	Principal place of operation	Functional currency	Basis for Selecting Functional Currency
ATB Xiaochi	Germany	EUR	IAS 21, based on the geographical location of the company's primary operations and the impact of risks ATB Xiao Chi
ATB Tammer	Poland	PLN Zloty	IAS 21, based on the geographical location of the company's principal operations and the risks to which it is exposed Based on the geographical location of the company's primary operations and the impact of risks
OLI	Italy	EUR	IAS 21, based on the geographical location of the company's principal operations and the risks to which it is exposed Based on the geographical location of the company's primary operations and the impact of risks
SIR	Italy	EUR	IAS 21, based on the geographical location of the company's principal operations and the risks to which it is exposed risk exposure
Wolong Electric USA	USA	USD	IAS 21, based on the geographical location of the company's principal operations and the risks to which it is exposed risk exposure

82. Leases

(1) As a lessee

√ Applicable □Not applicable

Variable lease payments not included in lease liability measurement

□ Applicable √ Not applicable

Lease payments for short-term leases or leases of low-value assets subject to simplified treatment

√ Applicable □ Not applicable

Item	Current Year Amount	Previous Year Amount
Lease expenses for short-term and low-value assets using simplified treatment included in current period profit or loss	56,502,489.75	59,811,737.84

Sale-and-leaseback transactions and basis for judgment

☐Applicable √Not applicable

Total cash outflow related to leases 92,573,454.26 (Unit: RMB Currency: Renminbi)

(2) As Lessor

Operating leases as lessor

☐Applicable √Not applicable

As Lessor in Finance Leases

☐Applicable √Not Applicable

Reconciliation between Undiscounted Lease Receivables and Net Lease Investment

☐Applicable √Not Applicable

Undiscounted Lease Receivables for the Next Five Years

☐ Applicable √ Not Applicable

(3) Recognition of gain or loss on sale of finance leases as a manufacturer or dealer

☐ Applicable √ Not Applicable

Other Notes:
None

83. Data Resources

☐ Applicable √ Not applicable

84. Other

☐ Applicable √

Not Applicable VIII.

R&D Expenditures

1. Listed by Nature of Expense

√ Applicable ☐ Not Applicable

Unit: Yuan Currency: Renminbi

Item	Current Period Amount	Previous Period Amount
Employee Compensation	276,628,728.54	234,567,782.03
Materials consumed	402,872,384.58	454,491,849.22
Expenses and Other	91,050,381.96	81,064,727.67
Depreciation and Amortization	104,186,694.50	88,403,649.45
Total	874,738,189.58	858,528,008.37
Of which: Expensed R&D expenditures	642,191,222.45	557,407,247.02
Capitalized R&D expenditures	232,546,967.13	301,120,761.35

Other Notes:
None

2. R&D project development expenditures meeting capitalization criteria

√ Applicable □ Not applicable

Unit: CNY Currency: Renminbi

Project	Opening Balance	Increase for the Period		Current Period Decrease			Ending Balance
		Internal Development Expenditures	Other Other	Recognized as intangible Assets	Transferred to current period profit or loss	Exchange rate impact	
500 Horizontal TEFC Rating Enhancement	5,510,371.02	9,191,101.87	-	-	-	-82,239.91	14,783,712.80
High-Performance Second-Generation SVG Product Development	9,385,605.22	4,063,091.13	-	522,725.51	-	-	12,925,970.84
Development of High-End Variable Frequency Products for the Xiao Chi Brand to European and American Standards	3,837,084.05	5,053,219.43	-	-	-	-	8,890,303.48
Development of High-Power "Green Electricity" Hydrogen Production Power Supply System	5,346,839.81	3,582,828.52	-	990,246.16	-	-	7,939,422.17
Semiconductor Industry Roots Vacuum Pump Water Treatment System Solution Launch Development Project	-	6,902,287.27	-	-	-	-	6,902,287.27
Research and Development of Integrated High-Speed Maglev Electric Drive Power System with Load Integration	5,651,549.57	372,536.29	-	-	-	-	6,024,085.86
Research and Development of Low-Voltage High-Power High-Speed Induction Motors and Drive Control Systems	-	5,000,204.23	-	-	-	-	5,000,204.23
Development of Ultra-Low-Speed Permanent Magnet Semi-Direct Drive Geared Motors	-	4,796,977.89	-	-	-	-	4,796,977.89
Development of Explosion-Proof Motors for LNG Ship Reciprocating Compressors	-	4,693,306.76	-	-	-	-	4,693,306.76
High-End Range Hood Control Board Project	1,135,799.74	2,966,767.17	-	-	-	-	4,102,566.91
High-Performance Permanent Magnet Materials Verification Project for High-Abundance Rare Earth Elements	-	4,087,643.48	-	-	-	-	4,087,643.48
Phase-Shifting Camera Development	2,289,415.18	1,710,928.06	-	-	-	-	4,000,343.24
YBX4 Low-Voltage High-Power Motor Series Development H355	-	3,927,800.31	-	-	-	-	3,927,800.31
Development of Power Battery Pack for Unmanned Vessels	-	3,927,314.92	-	-	-	-	3,927,314.92

Project	Opening Balance	Increase for the Period		Current Period Decrease			Closing Balance
		Internal Development Expenditures	Other Other	Recognized as intangible Assets	Transferred to current period profit or loss	Exchange rate impact	
10hr Low-Cost UPS Series Battery Development	-	2,797,790.30	-	-	-	-	2,797,790.30
High-Reliability Multifunctional Intelligent Permanent Magnet Integrated Machine	-	1,617,253.85	-	-	-	-	1,617,253.85
Colloidal 12V 250Ah Battery Development	-	1,495,852.05	-	-	-	-	1,495,852.05
Development of Oil-Cooled Permanent Magnet Aluminum Housing Motor Series	-	1,194,732.00	-	-	-	-	1,194,732.00
Development of Oil-Cooled Asynchronous Series Steel Plate Motors	-	1,119,711.00	-	-	-	-	1,119,711.00
High Torque Density Axial Flux Motor	-	297,288.96	-	-	-	-	297,288.96
Independent Development of High-Performance Low-Voltage Variable Frequency Drives for Small-to-Medium Power Models	234,825.11	2,359.22	-	237,184.33	-	-	-
Wind Turbine Development (Semi-Direct Drive)	4,959,450.50	386,188.82	-	5,345,639.32	-	-	-
Electric Aviation - Small, Medium, and High Power	9,824,679.38	961,186.28	-	10,785,865.66	-	-	-
G2022-14 Integrated Drive and Control Product Series	4,732,286.09	1,432,548.28	-	6,164,834.37	-	-	-
Marine Power Pods and Drive Control Systems	11,190,541.12	345,897.60	-	11,536,438.72	-	-	-
Development of Russian Cryogenic Asynchronous Motors	-	15,155,675.16	-	15,155,675.16	-	-	-
WIDM100 Permanent Magnet Integrated Machine Independent Development Project	-	7,327,431.36	-	7,327,431.36	-	-	-
High-Voltage Permanent Magnet Series Platform Product Development (High-Voltage 6/10kV Low-Speed High-Torque Permanent Magnet Direct Drive Motor Development)	4,221,922.70	1,392,074.29	-	5,613,996.99	-	-	-
Low Internal Resistance Series Product Development	3,387,096.75	1,748,970.73	-	5,136,067.48	-	-	-

Atlant Series Wound Motor Development Project	2,453,483.66	1,670,696.54	-	4,124,180.20	-	-	-
S90 Coil (Fireproof) Motor Development Project	-	9,253,796.56	-	9,253,796.56	-	-	-
Development of NEMA Standard High-Voltage WPII Motors	-	7,412,042.87	-	7,412,042.87	-	-	-
HSC Motor Development Project and Product Introduction	-	9,749,234.80	-	9,749,234.80	-	-	-
New Energy Vehicle Electric Compressor Motor Development Project	1,068,759.26	865,224.51	-	1,933,983.77	-	-	-
TEAAC New Tier 2 Energy Efficiency High Power Density Product Development	-	6,872,764.30	-	6,872,764.30	-	-	-
Development of Ultra-Lightweight High-Power Vehicle-Mounted Generator	-	5,885,811.11	-	5,885,811.11	-	-	-
Ultra-Thin Fan Development Project for EFU Equipment	-	9,898,037.56	-	9,898,037.56	-	-	-
Development of High-Power, Low-Vibration, Low-Noise Electric Motors	-	4,518,682.59	-	4,518,682.59	-	-	-
SiC High-Power EV Inverter	1,210,498.99	49,304.31	-	1,259,803.30	-	-	-
Advanced Distributed Photovoltaic Storage and Charging Solutions	722,016.48	372,249.91	-	1,094,266.39	-	-	-
Unwinder Drive System Solution Development Project	-	3,317,741.82	-	3,317,741.82	-	-	-

Project	Opening Balance	Increase for the Period		Current Period Decrease			Ending balance
		Internal Development Expenditures	Other Other	Recognized as intangible Assets	Transferred to current period profit or loss	Exchange rate impact	
Research on Carbon Fiber Binding Technology for High-Speed Permanent Magnet Motor Rotors with Surface Mounting	693,643.70	243,529.30	-	937,173.00	-	-	-
Small-scale Hydrogen Integrated Energy System	519,756.43	494,795.17	-	1,014,551.60	-	-	-
Logistics Vehicle Drive Controller	596,782.59	92,171.62	-	688,954.21	-	-	-

High-Voltage High-Speed Permanent Magnet Motor Generator and Matching Inverter Series Product	372,974.08	301,158.91	-	674,132.99	-	-	-
Logistics Electric Roller Project	123,501.63	-	-	123,501.63	-	-	-
2022 NPI Project	12,280,223.90	-	-	12,463,490.10	-	-183,266.20	-
Refrigerant Motor YSR Series (Induction)	3,114,820.07	571,142.16	-	3,685,962.23	-	-	-
Maglev High-Speed Integrated Fan	48,944.23	238,330.08	-	287,274.31	-	-	-
G2021-07-High-Power High-Speed Motor	11,904,357.86	-	-	11,904,357.86	-	-	-
Low-voltage high-speed permanent magnet electric generator and high-speed variable-frequency drive	10,942,265.85	-	-	10,942,265.85	-	-	-
Development of a New Generation of Low-Voltage, Low-Speed Direct-Drive Permanent Magnet Motors	9,049,014.90	3,004,535.43	-	12,053,550.33	-	-	-
WE5 Series Aluminum Enclosures (H63-160) Development	8,982,755.67	-	-	8,982,755.67	-	-	-
YBX5 DI Motor Series Development	6,384,719.61	814,424.08	-	7,199,143.69	-	-	-
2023 TEAAC NPI Project	6,205,318.58	-	-	6,297,919.98	-	-92,601.40	-
High-Performance Control Algorithm	6,202,325.70	585,803.98	-	6,788,129.68	-	-	-
Aluminum-cased battery cell pack 48V battery pack development	3,559,871.73	1,384,611.45	-	4,944,483.18	-	-	-
Medium-Power High-Speed Integrated Fan	3,165,533.78	324,829.54	-	3,490,363.32	-	-	-
Ingersoll Rand CD72S (IR)	3,152,171.01	610,970.00	-	3,763,141.01	-	-	-
Digital Motor R&D Project	2,203,686.29	332,611.21	-	2,536,297.50	-	-	-
Development of Typical Specifications for Disc-Type Industrial Motors	987,359.49	-	-	987,359.49	-	-	-
WEPM Optimization Development Project	-	2,911,405.51	-	2,911,405.51	-	-	-
Ultra-High-Speed Advanced Permanent Magnet Motor	-	1,318,501.44	-	1,318,501.44	-	-	-
Magnetic Levitation Bearing and Controller Product Development	-	2,557,891.45	-	2,557,891.45	-	-	-
Development of Large Asynchronous Motors for Low-Temperature Environments	-	2,940,023.29	-	2,940,023.29	-	-	-
Electric Aviation High-Performance Electric Propulsion System	-	1,578,318.72	-	1,578,318.72	-	-	-
Electric Motorcycle Drive System Product Development	-	1,805,837.56	-	1,805,837.56	-	-	-

Development of High Power Density Large Asynchronous Motor Series	-	1,450,958.17	-	1,450,958.17	-	-	-

Project	Opening Balance	Increase for the Period		Current Period Decrease			Ending Balance
		Internal Development Expenditures	Other Other	Recognized as intangible Assets	Transferred to current period profit or loss	Exchange rate impact	
Zero-carbon mining truck automatic charging system	-	4,751,511.64	-	2,962,524.19	1,788,987.45	-	-
Air Bearing Selection and System Integration Applications	-	1,963,469.00	-	1,963,469.00	-	-	-
Low-Power Industrial Drone Electric Power System	-	1,307,185.65	-	1,307,185.65	-	-	-
Next-Generation WE4 Nominal Series European Standard Motor Development Project	-	4,659,228.35	-	4,659,228.35	-	-	-
Flat Wire Motor Stator Automated Flexible Product Project	3,763,512.81	-	-	3,047,333.24	716,179.57	-	-
Outdoor Portable Power Bank	2,227,852.03	1,025,034.15	-	3,252,886.18	-	-	-
High-Speed EC-PLUS Motor and Drive System Development (6P)	3,098,574.77	2,931,420.59	-	6,029,995.36	-	-	-
WEPM5 Cost Reduction Optimization Project	7,831,593.02	3,799,629.69	-	11,631,222.77	-	-0.06	-
Air Energy Storage 105MW Electric Generator Development	15,427,798.09	7,387,449.88	-	22,815,247.97	-	-	-
Total	206,227,029.78	232,546,967.13	-	306,133,286.81	2,505,167.02	-358,107.57	130,493,650.65

Significant Capitalized R&D Projects

☐ Applicable √ Not Applicable

Development Expense Impairment Reserve

☐ Applicable √ Not Applicable

Other Notes:

None

3. Significant externally acquired development projects

□Applicable √Not applicable

IX. Changes in Consolidation Scope

1. Business Combination Not Under Common Control

√ Applicable □ Not applicable

(1). Non-controlling interest business combinations occurring during the current period

□Applicable √Not applicable

(2). Combination cost and goodwill

□Applicable √Not applicable

(3). Identifiable assets and liabilities of the acquiree at the acquisition date

□Applicable √Not applicable

(4). Gains or losses arising from the remeasurement at fair value of equity interests held prior to the acquisition date

Transactions involving step acquisitions where control is obtained during the reporting period through multiple transactions

□Applicable √Not applicable

(5). Explanation regarding the inability to reasonably determine the fair value of the consideration or the acquiree's identifiable assets and liabilities at the acquisition date or the end of the period in which the combination occurred

□Applicable √ Not applicable

(6). Other Explanations

□Applicable √ Not applicable

2. Business Combination under Common Control

√ Applicable □ Not applicable

(1). Business combinations under common control occurring during the current period

√ Applicable □ Not applicable

Unit: Yuan Currency: Renminbi

Name of the acquired entity	Equity interests acquired in the business combination Ratio	Basis for Classifying as a Business Combination under Common Control	Date of Combination	Basis for determining the merger date	Revenue of the acquiree from the beginning of the period of acquisition to the acquisition date	Net profit of the acquiree from the beginning of the current period to the acquisition date	Revenue of the acquiree during the comparative period	Net profit of the acquiree for the comparative period
Shangyu Shunfeng Electric Power	100%	Under the control of the same actual controller	June 2024 5	Business Registration Change	-	-	-	-

Other Notes:

None

(2). Consolidation cost

☐ Applicable √ Not applicable

(3). Carrying Amount of Assets and Liabilities of the Acquired Entity at the Acquisition Date

☐ Applicable √ Not applicable

Other Notes:

On April 22, 2024, Wolong Holding and Zhejiang Wolong Electric Door Co., Ltd. jointly established Shangyu Shunfeng Electric Power with a registered capital of RMB 10 million. On June 5, 2024, Wolong Holding and Zhejiang Wolong Electric Door Co., Ltd. transferred their respective 70.00% and 30.00% equity interests in Shangyu Shunfeng Electric Power to the Company at zero consideration, with no impact on the Company's financial statements.

3. Reverse Acquisition

☐ Applicable √ Not Applicable

4. Disposal of Subsidiary

Whether there were any transactions or events resulting in loss of control over subsidiaries during the period

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Name of Subsidiary	Date of loss of control	Disposal Proceeds at Time of Loss of Control	Disposal Proportion at Time of Loss of Control (%)	Disposal Method at the Point of Loss of Control	Basis for Determining Loss of Control	Difference between the disposal proceeds and the consolidated financial statement share of net assets of the subsidiary corresponding to the disposed investment	Proportion of Remaining Equity Interest on Date of Loss of Control (%)	Book value of the remaining equity interest at the consolidated financial statement level as of the date of loss of control	Fair value of the non-controlling interest at the consolidated financial statement level	Gains or losses arising from the remeasurement of the residual equity interest at fair value	Methodology and key assumptions for determining the fair value of the residual equity interest at the consolidated financial statement level on the date of loss of control	Amount of other comprehensive income related to equity investments in subsidiaries transferred to investment gains or losses or retained earnings
Hangzhou Meixi New Energy Power Generation Co., Ltd. (hereinafter referred to as "Hangzhou Meixi")	2024 October	25,000.00	100.00	Sale	Equity Change Registration	25,329.99	-	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

Other Notes:

√ Applicable □ Not Applicable

(1) In July 2024, the company established a new subsidiary, Hangzhou Longneng Electric Power Development Co., Ltd., which was later renamed Hangzhou Meixi. Its Unified Social Credit Code is 91330109MADU0WPY2N, with a registered capital of 100.

RMB 10,000, with no capital contribution made. The Company holds 100% equity interest. In September 2024, the Company entered into the "Share Transfer Agreement of Hangzhou Longneng Electric Power Development Co., Ltd." with Nanjing Yamei Electric Power Technology Co., Ltd., transferring 100% equity interest in Hangzhou Meixi for RMB 25,000. The industrial and commercial registration change was completed on October 12, 2024.

Whether there exists a situation where control over a subsidiary investment was lost during the current period through multiple transactions involving step-by-step disposal

□ Applicable √ Not Applicable

Other Notes:

□ Applicable √ Not Applicable

5. Changes in Consolidation Scope Due to Other Reasons

Describe changes in the scope of consolidation due to other reasons (e.g., establishment of new subsidiaries, liquidation of subsidiaries, etc.) and related circumstances:

√Applicable □Not applicable

Newly established subsidiaries during the period: Wolong Yingnaide, Wolong Permanent Magnet, Shangyu Shunfeng Electric Power, Shanghai Wolong Electric Drive, Henan Longchuang, New Energy Damang Banner, Baotou Energy Storage, Taizhou Longneng, Dongying Longneng, Yangzhou Longzhixing, Miluo Longneng, Yuan'an Longneng, Songjiang Longzhixing, Damangqi Longneng, Luzhou Longneng, Meishan Longneng, Wannian County Longneng, Lu'an Longneng, LongNeng Power Investment Holding GmbH, LONGNENG POWER PHILIPPINES INC, LONGNENG POWER ITALY SRL,LONGNENG POWER HONG KONG LIMITED, LN ELECTRIC POWER TECHNOLOGY MEXICO S. DE R.L. DE C.V.

Wolong Yingnaide, Wolong Permanent Magnet, Jinhua Longneng, Bengbu Longneng, Siyang Longneng, Yuncheng Longneng, Baotou Longneng. These newly established subsidiaries are included in the scope of consolidation. The Company's subsidiary Nanyang Longyuan established new subsidiaries Suyu Longyuan, Mianzhu Longyuan, and Nanjing Longmu. These newly established companies are included in the scope of consolidation.

The subsidiary Siyang Longneng was deregistered during the current period and is no longer included in the scope of consolidation as of the deregistration date.

6. Other

√ Applicable □ Not Applicable

In January 2024, Zhejiang Longneng signed the "Equity Transfer Agreement between Guangdong Five Star Solar Energy Co., Ltd. and Zhejiang Longneng Electric Power Technology Co., Ltd. regarding Zhanjiang Kaijiu New Energy Source Co., Ltd.", whereby Zhejiang Longneng acquired 100% equity interest in Zhanjiang Kaijiu New Energy Co., Ltd. at a consideration of RMB 0.In August 2024, Zhejiang Longneng signed the "Share Transfer Agreement between Zhejiang Longneng Electric Power Technology Co., Ltd. and Liaoning Guangyao Times New Energy Co., Ltd. regarding Zhanjiang Kaijiu New Energy Co., Ltd." with Liaoning Guangyao Times New Energy Co., Ltd. Zhejiang Longneng transferred its 100% equity interest in Zhanjiang Kaijiu New Energy Co., Ltd. at a consideration of zero.

X. Interests in Other Entities

1. Interests in Subsidiaries

(1). Enterprise Group Composition

√ Applicable □ Not Applicable

Unit: RMB 10,000 Currency: RMB

Subsidiary Name	Principal Place of Business	Registered Capital	Registered Location	Business Nature	Shareholding Ratio (%)		Acquisition Method Method
					Direct	Indirect	
Zhejiang Longneng	Zhejiang Shangyu	28268.2907	Zhejiang Shangyu	Investment Management	43.21	-	Establishment
Ningbo Longneng	Zhejiang Ningbo	1000	Zhejiang Ningbo	Investment Management	-	43.21	Established
Zhuji Longneng	Zhuji, Zhejiang	4000	Zhuji, Zhejiang	Construction and Operation of Photovoltaic Power Stations	-	43.21	Establishment
Duchang Longneng	Jiangxi Duchang	14000	Jiangxi Duchang	Construction and Operation of Photovoltaic Power Stations	-	43.21	Establishment
Quzhou Longneng	Zhejiang Quzhou	100	Quzhou, Zhejiang	Electricity, Heat, Gas, and Water Production and Supply	-	43.21	Established
Shaoxing Longneng	Shaoxing, Zhejiang	1500	Shaoxing, Zhejiang	Investment Management	-	43.21	Established
Binhai New City Longneng	Shaoxing, Zhejiang	100	Shaoxing, Zhejiang	Investment Management	-	43.21	Established
Lishui Longneng	Lishui, Zhejiang	100	Zhejiang Lishui	Manufacturing	-	43.21	Established
Shengzhou Longneng	Zhejiang Shengzhou	100	Zhejiang Shengzhou	Investment Management	-	43.21	Established
Xinchang Longneng	Xinchang, Zhejiang	100	Xinchang, Zhejiang	Investment Management	-	43.21	Established
Deqing Longneng	Deqing, Zhejiang	100	Deqing, Zhejiang	Investment Management	-	43.21	Established
Liangshan Longneng	Liangshan, Shandong	2000	Liangshan, Shandong	Construction and Operation of Photovoltaic Power Stations	-	43.21	Established
Wuhu Longneng	Anhui Wuhu	100	Anhui Wuhu	Construction and Operation of Photovoltaic Power Stations	-	43.21	Establishment
Chizhou Longneng	Anhui Chizhou	100	Anhui Chizhou	Construction and Operation of Photovoltaic Power Stations	-	43.21	Establishment
Tanghe Longneng	Henan Tanghe	300	Henan Tanghe	Construction and Operation of Photovoltaic	-	43.21	Establishment of

Subsidiary Name	Principal Place of Business	Registered Capital	Registered Location	Business Nature	Shareholding Ratio (%)		Acquisition Method Method
					Direct	Indirect	
Xintai Runxi	Shandong, Tai'an	1000	Shandong Tai'an	Construction and Operation of Photovoltaic Power Stations	-	43.21	Business Combination under Non-Common Control
Zibo Jingyu	Zibo, Shandong	1300	Zibo, Shandong	Construction and Operation of Photovoltaic Power Stations	-	43.21	Business Combination under Non-Controlling Interests
Liaocheng Guoneng	Liaocheng, Shandong	2000	Shandong Liaocheng	Construction and Operation of Photovoltaic Power Stations	-	43.21	Business Combination under Non-Common Control
Taizhou Xinbaihui	Jiangsu Taizhou	2000	Jiangsu Taizhou	Construction and Operation of Photovoltaic Power Stations	-	43.21	Business Combination under Non-Common Control
Leling Ronghui	Shandong Leling	1300	Shandong Leling	Construction and Operation of Photovoltaic Power Stations	-	43.21	Business Combination under Non-Common Control
Tongling Quanhui	Anhui Tongling	1000	Anhui Tongling	Construction and Operation of Photovoltaic Power Stations	-	43.21	Business Combination under Non-Common Control
Huai'an Ruihong	Jiangsu Huai'an	1000	Jiangsu Huai'an	Construction and Operation of Photovoltaic Power Stations	-	43.21	Business Combination under Non-Common Control
Penglai Green Clean	Shandong Penglai	1,000	Shandong Penglai	Construction and operation of photovoltaic power stations	-	43.21	Business Combination under Non-Controlling Interests
Fangcheng Longneng	Nanyang, Henan	300	Henan Nanyang	Construction and Operation of Photovoltaic Power Stations	-	43.21	Establishment
Kaifeng Longneng	Kaifeng, Henan	300	Kaifeng, Henan	Construction and Operation of Photovoltaic Power Stations	-	43.21	Establishment
Nanyang Longyuan	Henan Nanyang	10000	Nanyang, Henan	Electricity, Heat, Gas, and Water Production and Supply	-	23.77	Established
Huai Bin Longneng	Xinyang, Henan	300	Xinyang, Henan	Power Supply	-	43.21	Establishment
Dingnan Longneng	Ganzhou, Jiangxi	300	Ganzhou, Jiangxi	Construction and Operation of Photovoltaic Power Stations	-	43.21	Established
Nanyang Wancheng Longneng	Nanyang, Henan	300	Henan Nanyang	Construction and Operation of Photovoltaic Power Stations	-	43.21	Establishment
Huai'an Longneng	Jiangsu Huai'an	300	Jiangsu Huai'an	Construction and Operation of Photovoltaic Power Stations	-	43.21	Establishment

Boai Jingneng	Jiaozuo, Henan	100	Jiaozuo, Henan	Technology Promotion and Application Services	-	43.21	Business Combinations under Non-Controlling Interests
Jinhu Longyuan	Huai'an, Jiangsu	100	Huai'an, Jiangsu	Electricity, Heat, Gas, and Water Production and Supply	-	23.77	Established
Haikou Longmu	Haikou, Hainan	100	Haikou, Hainan	Electricity, Heat, Gas, and Water Production and Supply	-	23.77	Established
Fuxin Longyuan	Fuxin, Liaoning	100	Fuxin, Liaoning	Electricity, Heat, Gas, and Water Production and Supply	-	23.77	Established
Xuzhou Longyuan	Xuzhou, Jiangsu	100	Xuzhou, Jiangsu	Electricity, Heat, Gas, and Water Production and Supply	-	23.77	Established
Funing Longyuan	Yancheng, Jiangsu	100	Yancheng, Jiangsu	Electricity, Heat, Gas, and Water Production and Supply	-	23.77	Established
Leizhou Longmu	Zhanjiang, Guangdong	100	Zhanjiang, Guangdong	Electricity, Heat, Gas, and Water Production and Supply	-	23.77	Established
Taizhou Longmu	Taizhou, Zhejiang	100	Taizhou, Zhejiang	Electricity, Heat, Gas, and Water Production and Supply	-	23.77	Established
Mengcheng Longyuan	Anhui Bozhou	100	Anhui Bozhou	Solar Power Generation	-	23.77	Established
Fengtai Longmu	Anhui Huainan	300	Anhui Huainan	Electricity, Heat Production and Supply	-	23.77	Established
Wuyang Longyuan	Anhui Bozhou	100	Anhui Bozhou	Electricity, Heat, Gas, and Water Production and Supply	-	23.77	Established
SuYu Longyuan	Suqian, Jiangsu	383	Suqian, Jiangsu	Electricity, Heat, Gas, and Water Production and Supply	-	23.77	Established
Mianzhu Longyuan	Deyang, Sichuan	100	Deyang, Sichuan	Electricity, Heat, Gas, and Water Production and Supply	-	23.77	Established

Subsidiary Name	Principal Place of Business	Registered Capital	Registered Location	Business Nature	Shareholding Ratio (%)		Acquisition Method Method
					Direct	Indirect	
Nanjing Longmu	Jiangsu Nanjing	100	Nanjing, Jiangsu	Electricity, Heat, Gas, and Water Production and Supply	-	23.77	Established
Jiangsu Lino	Suqian, Jiangsu	800	Suqian, Jiangsu	Construction	-	30.25	Business Combination under Non-Common Control
Yichun Longneng	Jiangxi Yichun	300	Jiangxi Yichun	Electricity, Heat Production and Supply Industry	-	43.21	Established
Tieling Yangxu	Tieling, Liaoning	1000	Tieling, Liaoning	Research and Experimental Development	-	43.21	Establishment
Yugan Longneng	Jiangxi Shangrao	300	Jiangxi Shangrao	Electricity, Heat Production and Supply Industry	-	43.21	Established
Wuhu Science and Technology	Anhui Wuhu	200	Anhui Wuhu	Electricity, Heat Production and Supply	-	43.21	Established
Huzhou Longneng	Huzhou Wuxing	900	Huzhou Wuxing	Electricity, Heat Production and Supply	-	43.21	Established
Huangshi Longneng	Hubei Huangshi	100	Hubei Huangshi	Electricity, Heat Production and Supply	-	43.21	Established
Fengxin Longneng	Jiangxi Yichun	300	Yichun, Jiangxi	Electricity, Heat Production and Supply	-	43.21	Established
Bozhou Longneng	Anhui Bozhou	300	Anhui Bozhou	Electricity, Heat Production and Supply	-	43.21	Established
Hefei Longneng	Anhui Hefei	300	Anhui Hefei	Electricity, Heat Production and Supply	-	43.21	Establishment
Huanggang Longneng	Huanggang, Hubei	600	Huanggang, Hubei	Electricity, Heat Production and Supply	-	43.21	Established
Shiyan Longneng	Hubei Shiyan	500	Hubei Shiyan	Electricity, Heat, Gas, and Water Production and Supply	-	43.21	Established
Jianghua Longneng	Hunan Yongzhou	100	Hunan Yongzhou	Scientific Research and Technology Services	-	43.21	Established
Taizhou Longneng	Jiangsu Taizhou	100	Jiangsu Taizhou	Electricity, Heat, Gas, and Water Production and Supply		43.21	Established
Dongying Longneng	Shandong	960	Shandong	Scientific Research and Technology Services	-	43.21	Established

	Dongying		Dongying				
Yangzhou Longzhixing	Jiangsu Yangzhou	100	Yangzhou, Jiangsu	Electricity, Heat, Gas, and Water Production and Supply	-	43.21	Established
Yuan'an Longneng	Yichang, Hubei	100	Yichang, Hubei	Electricity, Heat, Gas, and Water Production and Supply	-	43.21	Established
Miluo Longneng	Hunan Yueyang	100	Hunan Yueyang	Electricity, Heat, Gas, and Water Production and Supply	-	43.21	Established
Longneng, Damang Banner	Baotou, Inner Mongolia	1000	Baotou, Inner Mongolia Head	Electricity, Heat, Gas, and Water Production and Supply	-	43.21	Establishment
Shanghai Songjiang Longzhixing	Shanghai Songjiang	100	Shanghai Songjiang	Scientific Research and Technology Services	-	43.21	Established
Wannian Longneng	Jiangxi Shangrao	100	Jiangxi Shangrao	Electricity, Heat, Gas, and Water Production and Supply	-	43.21	Established
Meishan Dongpo Longneng	Sichuan Meishan	100	Meishan, Sichuan	Electricity, Heat, Gas, and Water Production and Supply	-	43.21	Established
Luzhou Jiangyang Longneng	Luzhou, Sichuan	100	Luzhou, Sichuan	Electricity, Heat, Gas, and Water Production and Supply	-	43.21	Established
Lu'an Longneng	Anhui Lu'an	100	Anhui Lu'an	Scientific Research and Technology Services	-	43.21	Establishment
Jinhua Longneng	Zhejiang Jinhua	100	Jinhua, Zhejiang	Electricity, Heat, Gas, and Water Production and Supply	-	43.21	Established
Siyang Longneng	Suqian, Jiangsu	100	Suqian, Jiangsu	Electricity, Heat, Gas, and Water Production and Supply	-	43.21	Established

Subsidiary Name	Principal Place of Business	Registered Capital	Registered Location	Business Nature	Shareholding Ratio (%)		Acquisition Method Method
					Direct	Indirect	
Yuncheng Longneng	Yuncheng, Shanxi	100	Yuncheng, Shanxi	Scientific Research and Technology Services	-	43.21	Established
Baotou Longneng	Baotou, Inner Mongolia	500	Baotou, Inner Mongolia	Installation, maintenance, and testing of solar power generation, transmission, distribution, and receiving facilities; construction engineering Construction	-	43.21	Establishment
Austria Longneng	Austria	3.5	Austria	Electricity, Heat, Gas, and Water Production and Supply	-	43.21	Establishment
Philippine Long Energy	Philippines	1200	Philippines	Electricity, Heat, Gas, and Water Production and Supply	-	43.21	Establishment
Italy Longneng	Italy	3	Italy	Electricity, Heat Production and Supply	-	43.21	Establishment
Italy Electric Power	Italy	9.96	Italy	Manufacturing	100.00	-	Business Combination under Non-Common Control
Oriental Long	Zhejiang Shangyu	4,834.81	Zhejiang Shangyu	Manufacturing	54.00	41.86	Business Combination under Common Control
Wuhu Wolong	Anhui Wuhu	2000	Anhui Wuhu	Manufacturing	100.00	-	Established
Zhejiang International Trade	Zhejiang Shangyu	1000	Zhejiang Shangyu	Commodity Circulation Industry	100.00	-	Business Combination under Common Control
Wolong Lighthouse	Hangzhou, Zhejiang	11000	Hangzhou, Zhejiang	Manufacturing	91.96	6.97	Establishment
Hong Kong Wolong Holdings	Hong Kong	10,000	Hong Kong	Investment	100.00	-	Business Combination under Common Control
Italy Holding	Italy	201.10	Italy	Investment Management	100.00	-	Establishment
OLI Group	Italy	-	Italy	Manufacturing	-	91.00	Business combinations under non-common control
Jinan Electric Machinery	Zhangqiu, Shandong	20289	Zhangqiu, Shandong	Manufacturing	-	70.00	Business Combination under Non-Common Control
Qingdao Jicheng	Qingdao, Shandong	500	Qingdao, Shandong	Manufacturing	-	70.00	Business Combination under Non-Common Control
Qingjiang Electric	Huai'an, Jiangsu	32310	Huai'an,	Manufacturing	-	100.00	Business Combination under

Motor			Jiangsu				Non-Common Control
Wolong Supply Chain	Zhejiang Shangyu	5000	Zhejiang Shangyu	Commodity Distribution Industry	100.00	-	Established
Wolong Shanghai Research Institute	Shanghai	10000	Shanghai	Research and Development	100.00	-	Establishment
Wolong Shanghai Sales	Shanghai	10,000	Shanghai	Merchandise Distribution	100.00	-	Establishment
Wolong American Holdings	United States	8000	United States	Investment Management	100.00	-	Establishment
Wolong Electric USA	United States	8000	United States	Investment Management	-	100.00	Establishment
Mexico Factory	Mexico	8803.0936	Mexico	Manufacturing	-	100.00	Business combinations not under common control
ATB Group	Austria	-	Austria	Investment Management	-	100.00	Business Combination under Common Control
Wolong International	Hong Kong	500	Hong Kong	Commodity Circulation Industry	-	100.00	Establishment
Wolong Vietnam	Vietnam	1000.0014	Vietnam	Manufacturing	-	100.00	Establishment
Zhejiang New Energy	Shaoxing, Zhejiang	10,000		Special-purpose Equipment Manufacturing	-	100.00	Established

Subsidiary Name	Principal Place of Business	Registered Capital	Registered Location	Business Nature	Shareholding Ratio (%)		Acquisition Method Method
					Direct	Indirect	
Wolong Management	Shaoxing, Zhejiang	10000	Shaoxing, Zhejiang	Business Services	-	100.00	Established
Wolong USA	United States	1,000	United States	Merchandise Distribution	100.00	-	Established
Wolong Electric Japan	Japan	8,000	Japan	Manufacturing	100.00	-	Establishment
Hill Robotics	Shaoxing, Zhejiang	6000	Shaoxing, Zhejiang	Investment Management	94.81	-	Established
Italy Investment	Italy	5	Italy	Investment Management	-	94.81	Established
SIR	Italy	104	Italy	Manufacturing	-	94.81	Business combinations under non-common control
Nanyang Explosion-Proof	Henan Nanyang	33796	Henan Nanyang	Manufacturing	100.00	-	Business Combination under Non-Common Control
Chenzhou Hua'an	Hunan Chenzhou	400	Hunan Chenzhou	Manufacturing	-	98.00	Business Combination under Non-Common Control
Nanyang Industrial Drive	Henan Nanyang	5000	Henan Nanyang	Manufacturing	-	100.00	Business Combination under Non-Common Control
Nanfang Technology	Nanyang, Henan	1880	Henan Nanyang	Manufacturing	-	100.00	Business Combination under Non-Common Control
Electrical System Engineering	Nanyang, Henan	4000	Nanyang, Henan	Manufacturing	-	100.00	Business Combination under Non-Common Control
Wuhan Electric Motor	Hubei Wuhan	5000	Hubei Wuhan	Manufacturing	-	100.00	Established
Nanyang Autopay	Nanyang, Henan	7635.6	Henan Nanyang	Manufacturing	-	100.00	Established
Nanyang Digital	Nanyang, Henan	13000	Henan Nanyang	Metal Products, Machinery, and Equipment Repair Industry	-	100.00	Established
Rongxin Transmission	Anshan, Liaoning	10000	Liaoning Anshan	Manufacturing	94.92	5.08	Business Combination under Non-Common Control
Servo Technology	Shaoxing, Zhejiang	6000	Shaoxing, Zhejiang	Manufacturing	66.67	-	Established
Shanghai Kesi	Shanghai	300	Shanghai	Manufacturing	-	66.67	Business Combination under

			Songjiang				Non-Common Control
Shaoxing New Energy	Shaoxing, Zhejiang	27,800	Shaoxing, Zhejiang	Leasing and Business Services	100.00	-	Established
Wolong Korea	Korea	10178.9	Korea	Manufacturing	100.00	-	Establishment
Wolong Malaysia	Malaysia	50	Malaysia	Manufacturing	100.00	-	Establishment
Ouli Drive	Shaoxing, Zhejiang	4163.5	Shaoxing, Zhejiang	Manufacturing	90.40	-	Established
Zhejiang Longchuang	Shaoxing, Zhejiang	3000	Shaoxing, Zhejiang	Manufacturing	30.00	20.00	Establishment
Wolong ZF	Shaoxing, Zhejiang	41210.6154	Shaoxing, Zhejiang	Manufacturing	74.00	-	Established
Shangyu Longshun	Shaoxing, Zhejiang	700	Shaoxing, Zhejiang	Business Services	58.79	0.43	Established
Zhejiang Shunyun	Shaoxing, Zhejiang	19650	Shaoxing, Zhejiang	Software and Information Technology Services	41.98	9.75	Established
Hangzhou Shunyun	Zhejiang, Hangzhou	2000	Hangzhou, Zhejiang	Technology Promotion and Application Services	-	51.73	Established
Hainan Shunyun	Hainan Yangpu	500	Hainan Yangpu	Electrical Machinery and Equipment Manufacturing	-	51.73	Established
Zhejiang Energy Storage	Shaoxing, Zhejiang	10,000	Shaoxing, Zhejiang	Electrical Machinery and Equipment Manufacturing	80.00	-	Established

Subsidiary Name	Principal Place of Business	Registered Capital	Registered Location	Business Nature	Shareholding Ratio (%)		Acquisition Method Method
					Direct	Indirect	
Zhejiang Precision	Shaoxing, Zhejiang	5000	Shaoxing, Zhejiang	General Equipment Manufacturing	95.00	-	Established
Zhejiang Longhong	Shaoxing, Zhejiang	1000	Shaoxing, Zhejiang	Business Services	100.00	-	Established
Zhejiang Transmission	Shaoxing, Zhejiang	2000	Shaoxing, Zhejiang	Electrical Machinery and Equipment Manufacturing	100.00	-	Established
Zhejiang Electric Power	Shaoxing, Zhejiang	6000	Shaoxing, Zhejiang	Electrical Machinery and Equipment Manufacturing	60.00	-	Established
Zhejiang Maritime	Shaoxing, Zhejiang	5000	Shaoxing, Zhejiang	Research and Experimental Development	80.00	16.00	Establishment
Shanghai Energy Conservation	Shanghai	10000	Shanghai Songjiang	Technology Promotion and Application Services	51.00	-	Established
Shangyu Hexin	Shaoxing, Zhejiang	1000	Shaoxing, Zhejiang	Other Financial Services	1.00	79.00	Established
Chongqing Shunyun	Chongqing	1500	Chongqing	Internet and Related Services	-	51.73	Established
Nanyang Agriculture and Animal Husbandry	Nanyang, Henan	2000	Nanyang, Henan	Electrical Machinery and Equipment Manufacturing	100.00	-	Establishment
Longchuang Testing	Shaoxing, Zhejiang	3000	Shaoxing, Zhejiang	Professional Technical Services	30.00	20.00	Establishment
Shanxi Digitalization	Taiyuan, Shanxi	500	Taiyuan, Shanxi	Internet and Related Services	-	31.04	Established
Shanghai Hill	Shanghai	1000	Shanghai	Electrical Machinery and Equipment Manufacturing	-	90.54	Established
Shenzhen Energy Storage	Guangdong Shenzhen	1000	Guangdong Shenzhen	Electrical Machinery and Equipment Manufacturing	-	80.00	Established
Zhejiang Zhongzhi	Huzhou, Zhejiang	1000	Huzhou, Zhejiang	Research and Experimental Development	-	60.00	Business Combination under Non-Common Control
Suzhou COSCO	Suzhou, Jiangsu	500	Jiangsu Suzhou	Technology Promotion and Application Services	-	60.00	Business Combination under Non-Common Control

Wolong Zhihydrogen	Beijing	2000	Beijing	Technology Promotion and Application Services	51.00	-	Established
Wolong Yingnaide	Shaoxing, Zhejiang	400	Shaoxing, Zhejiang	Scientific Research and Technology Services	51.00	-	Established
Wolong Permanent Magnet	Baotou, Inner Mongolia	10,000	Baotou, Inner Mongolia Tou	Manufacturing	100.00	-	Establishment
Shangyu Shunfeng Electric	Shaoxing, Zhejiang	1000	Shaoxing, Zhejiang	Electricity, Heat, Gas, and Water Production and Supply	100.00	-	Business Combination Under Common Control
Shanghai Wolong Electric Drive	Shanghai	5000	Shanghai	Manufacturing	100.00	-	Established
Henan Longchuang	Henan Nanyang	3000	Henan Nanyang	Professional Technical Services	-	75.00	Established
New Energy Dameng Banner	Baotou, Inner Mongolia	1000	Baotou, Inner Mongolia Headquarters	Research and Experimental Development	-	100.00	Establishment
Baotou Energy Storage	Baotou, Inner Mongolia	1000	Inner Mongolia Baotou Head	Scientific Research and Technology Services	-	80.00	Establishment

Explanation for Shareholding Ratio in Subsidiary Differing from Voting Rights Ratio: None

Basis for holding 50% or less of voting rights but controlling the investee, or holding over 50% of voting rights but not controlling the investee:

None

Basis for control over significant structured entities included in the scope of consolidation: None

Basis for determining whether the company is an agent or principal: None

Other Explanations:
None

(2). Significant non-wholly owned subsidiaries

☐ Applicable √ Not applicable

(3). Key financial information of significant non-wholly owned subsidiaries

☐ Applicable √ Not applicable

(4). Significant Restrictions on Use of Group Assets and Repayment of Group Debts

☐ Applicable √ Not applicable

(5). Financial Support or Other Support Provided to Structured Entities Included in the Scope of Consolidated Financial Statements

☐ Applicable √ Not applicable

Other Notes:

☐Applicable √Not applicable

2. Transactions resulting in changes to the share of equity in subsidiaries while maintaining control over them

√Applicable ☐Not applicable

(1). Explanation of changes in the share of equity in subsidiaries

√ Applicable ☐ Not applicable

1) In July 2024, the Company increased its capital contribution to subsidiary Ouli Drive by RMB 31.6536 million, raising its equity interest from 60% to 90.4%.

The Company held a 90.4% equity interest as of December 31, 2024.

2) In October 2024, the Company acquired a 0.14% stake in Zhejiang Longneng held by minority shareholder Hangzhou Zhechuang Qiufeng Equity Investment Partnership (Limited Partnership) for RMB 2.06 million.

3) In January 2024, Zhejiang Shunyun received a capital increase of RMB 50 million from Zhejiang Fuzhe Technology Co., Ltd., increasing its registered capital to RMB 196.5 million.

. The Company's shareholding ratio decreased by 3.76%.

4) In December 2024, the Company sold its 21.42% equity interest in Shangyu Longshun to minority shareholder Cheng Benjun for RMB 1.5 million, reducing its stake in Shangyu Longshun to 59.22%. As Shangyu Longshun holds a 3.57% equity interest in Zhejiang Shunyun, this indirectly resulted in a 0.76% decrease in the Company's equity interest in Zhejiang Shunyun.

5) In October 2024, OMLAT Mechatronics Srl submitted an application to the Modena Chamber of Commerce in Italy to absorb and merge Olispeed Srl, which was approved on October 31.OLI Spa sold its 100% equity interest in Olispeed Srl to OMLAT Mechatronics Srl for €100,000 and simultaneously purchased the 9% minority interest in Olispeed Srl.

(2). Impact of the transaction on minority interests and equity attributable to owners of the parent company

√ Applicable ☐ Not applicable

Unit: RMB Currency: RMB

	Zhejiang Longneng	Ouli Drive	Shangyu Longshun
Purchase Cost/Disposal Consideration			
--Cash	2,060,000.00	31,653,600.00	1,500,000.00
--Fair value of non-cash assets			
Purchase Cost/Disposal Consideration Total	2,060,000.00	31,653,600.00	1,500,000.00
Less: Share of subsidiary's net assets calculated based on the proportion of equity acquired/disposed 1,934,118.64	1,934,118.64	20,233,980.84	1,501,445.34
Difference	125,881.36	11,419,619.16	-1,445.34
Of which: Adjusted capital surplus	125,881.36	11,419,619.16	-1,445.34
Adjustment to Retained Earnings	-	-	-
Adjustment to Other Comprehensive Income	-	-	-

Other Notes:

√ Applicable ☐ Not Applicable

In January 2024, Zhejiang Shunyun received a capital increase of RMB 50 million from Zhejiang Fuzhe Technology Co., Ltd., increasing its registered capital from RMB 183.4 million to to RMB 196.5 million. The Company's equity interest decreased by 3.76%. The impact of this transaction on equity attributable to owners of the parent was RMB 19,778,536.27.

In November 2024, the absorption merger plan of OMLAT Mechatronics Srl absorbing Olispeed Srl was approved by the company's shareholders' meeting and completed on December 11, 2024. The impact of this transaction on equity attributable to owners of the parent company was EUR 39,845.18.

3. Interests in Joint Ventures or Associates

√ Applicable ☐ Not Applicable

(1). Significant Joint Ventures or Associates

√ Applicable ☐ Not applicable

Joint Ventures or Associates Name of the Joint Venture or Associate	Principal Place of Business	Registered Location	Nature of Business	Equity Interest (%)		Accounting Treatment for Investments in Joint Ventures or Associates Accounting Treatment Method
				Direct	Indirect	
Wolong Real Estate	Shaoxing, Zhejiang	Shaoxing, Zhejiang	Real Estate Investment Management and Foreign Investment	22.76	-	Equity Method

Explanation for equity interest percentage differing from voting rights percentage in joint ventures or associates:

None

Basis for holding less than 20% of voting rights but exercising significant influence, or holding 20% or more of voting rights but not exercising significant influence: None

(2). Key Financial Information of Significant Joint Ventures

☐ Applicable √ Not applicable

(3). Key Financial Information of Significant Associates

√ Applicable ☐ Not applicable

Unit: CNY Currency: Renminbi

	Ending Balance / Current Period Transactions	Opening Balance / Previous Period Transactions	
	Wolong Real Estate	Hongxiang Co., Ltd.	Wolong Real Estate
Current Assets	4,663,888,262.03	1,959,682,590.26	4,972,074,136.90
Non-current Assets	1,522,406,794.21	812,980,936.69	1,520,990,750.00
Total Assets	6,186,295,056.24	2,772,663,526.95	6,493,064,886.90
Current Liabilities	1,996,629,813.52	1,135,265,633.61	2,289,296,593.61
Non-current liabilities	107,472,063.29	681,151,337.59	106,252,951.65
Total Liabilities	2,104,101,876.81	1,816,416,971.20	2,395,549,545.26
Minority Interest	2,085,397,278.63	4,073,338.85	2,104,181,586.04
Equity attributable to shareholders of the parent company	1,996,795,900.80	952,173,216.90	1,993,333,755.60
Share of net assets based on equity interest	454,470,747.02	66,080,821.25	453,682,762.77
Adjustments	-	-	-
--Goodwill	-	-	-
--Unrealized gains on related-party transactions	-	-	-
--Other	-	-	-
Carrying Value of Equity Investments in Joint Ventures	454,370,907.23	168,281,990.50	453,583,096.08
Equity investments in associates with publicly quoted prices Fair value	-	-	-
Operating revenue	3,610,613,118.74	1,153,645,526.22	4,755,572,399.00
Net Profit	44,208,208.67	-453,850,680.63	165,823,578.58
Net Profit from Discontinued Operations	-	-	-
Other Comprehensive Income	-	13,368,039.70	-
Total Comprehensive Income	44,208,208.67	-440,482,640.93	165,823,578.58
Dividends received from associates during the year	-	-	-

Other Notes:
None

(4). Summary financial information for non-material joint ventures and associates

☐ Applicable √ Not applicable

(5). Explanation of Significant Restrictions on the Ability of Joint Ventures or Associates to Transfer Funds to the Company

☐Applicable √ Not applicable

(6). Excess losses incurred by joint ventures or associates

☐Applicable √ Not applicable

(7). Unrecognized commitments related to investments in joint ventures

☐Applicable √ Not applicable

(8). Contingent liabilities related to investments in joint ventures or associates

☐Applicable √ Not applicable

4. Significant Joint Operations

☐Applicable √Not applicable

5. Interests **in** Structured Entities Not Included in the Consolidated Financial Statements

☐Applicable √Not applicable

6. Other

☐Applicable √

Not **applicable XI.**

Government Grants

1. Government subsidies recognized at the end of the reporting period based on the amount receivable

☐ Applicable √ Not applicable

Reasons for Failure to Receive Expected Amounts of Government Subsidies at the Expected Time

☐ Applicable √ Not applicable

2. Liability items related to government grants

√ Applicable ☐ Not applicable

Unit: Yuan Currency: Renminbi

Financial Statement Item	Beginning Balance	New Subsidies Added During Current Period	Non-operating income recognized in the current period Amount	Transferred to Other Income for the Current Period	Other Changes During Current Period	Balance at end of period	Related to assets/income
Deferred income	149,191,775.34	45,908,490.00	-	13,819,579.61	-	181,280,685.73	Compared to the comprehen

3. Government grants recognized in profit or loss for the period

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Type	Current Period Amount	Previous Period Amount
Asset-Related	13,819,579.61	19,716,463.44
Income-related	68,294,404.39	179,825,987.94
Total	82,113,984.00	199,542,451.38

Other Notes:
None

XII. Risks Associated with Financial Instruments 1. Risks of Financial Instruments

√ Applicable □ Not Applicable

The Company faces various financial risks in its operations: credit risk, liquidity risk, and market risk (including foreign exchange risk, interest rate risk, and other price risks).

The Company's risk management policies to mitigate these risks are described below:

The risk management policies adopted by the Company to mitigate these risks are described below:

The Board of Directors bears overall responsibility for establishing risk management objectives and policies and assumes ultimate accountability for them. However, the Board has delegated authority to the Company's management to design and implement procedures ensuring the effective execution of these objectives and policies. The Board reviews the effectiveness of implemented procedures and the appropriateness of risk management objectives and policies through monthly reports submitted by the Finance Department. The Company's internal auditors also audit risk management policies and procedures, reporting findings to the Audit Committee.

The Company's overall risk management objective is to establish risk management policies that minimize risk exposure without unduly compromising the Company's competitiveness and adaptability.

(1) Credit Risk

As of December 31, 2024, the Company's maximum credit risk exposure that could result in financial loss primarily stems from losses on financial assets arising from counterparty default and

financial guarantees undertaken by the Company, specifically including:

The carrying amount of financial assets recognized in the consolidated balance sheet; for financial instruments measured at fair value, the carrying amount reflects the risk exposure but not the maximum risk exposure, which may change with future fluctuations in fair value.

To mitigate credit risk, the Company ensures overall credit risk remains within manageable limits through quarterly monitoring of existing customer credit ratings and monthly review of accounts receivable aging analysis.When monitoring customer credit risk, customers are grouped based on their credit characteristics. Customers rated ▪▪ ▪▪ or " " are placed on a restricted customer list. The Company may extend credit to these customers in future periods only with additional approval; otherwise, advance payment must be required. Therefore, management believes the Company's credit risk exposure has been significantly reduced.

The Company's liquid assets are held in banks with high credit ratings, resulting in low credit risk for these assets.

（2） Liquidity Risk

Liquidity risk refers to the risk that an enterprise may experience a shortage of funds when fulfilling obligations settled by delivering cash or other financial assets.

The Company's policy is to ensure that sufficient cash is available to meet its obligations as they fall due.Liquidity risk is centrally managed by the Company's finance department. The finance department monitors cash balances, readily convertible marketable securities, and rolling forecasts of cash flows for the next 12 months to ensure the Company has sufficient funds to repay debts under all reasonably foreseeable circumstances. It also continuously monitors compliance with loan agreement covenants and obtains commitments from major financial institutions to provide sufficient standby funding to meet short-term and long-term funding needs.

The Company's financial liabilities are presented below by maturity date based on undiscounted contractual cash flows:

Item	Balance at End of Period					
	Within 1 Year	1-2 years	2–5 years	Over 5 years	Total Undiscounted Contract Amount	Total
Short-term borrowings	2,315,957,961.90	-	-	-	2,315,957,961.90	2,315,957,961.90
Financial liabilities held for trading	189,147.00	-	-	-	189,147.00	189,147.00
Notes Payable	166,247,281.48	-	-	-	166,247,281.48	166,247,281.48
Accounts Payable	5,307,454,961.11	-	-	-	5,307,454,961.11	5,307,454,961.11
Other Payables	599,252,853.15	-	-	-	599,252,853.15	599,252,853.15
Non-current liabilities due within one year	2,180,145,537.02	-	-	-	2,180,145,537.02	2,180,145,537.02
Other Current Liabilities	366,372,843.06	-	-	-	366,372,843.06	366,372,843.06
Long-term borrowings	-	1,694,800,000.00	543,100,000.00	75,687,404.79	2,313,587,404.79	2,313,587,404.79
Lease liabilities	-	20,197,499.39	33,132,282.83	72,533,126.12	125,862,908.34	95,139,836.62
Total	10,935,620,584.72	1,714,997,499.39	576,232,282.83	148,220,530.91	13,375,070,897.85	13,344,347,826.13

Continued

Item	Balance at End of Previous Year					
	Within 1 year	1–2 years	2–5 years	Over 5 years	Total undiscounted contract amount	Total
Financial liabilities	-	-	-	-	-	-
Short-term borrowings	1,197,655,390.71	-	-	-	1,197,655,390.71	1,197,655,390.71
Financial liabilities held for trading	221,257.41	-	-	-	221,257.41	221,257.41
Notes payable	460,795,447.84	-	-	-	460,795,447.84	460,795,447.84
Accounts Payable	4,730,659,202.94	-	-	-	4,730,659,202.94	4,730,659,202.94
Other Payables	911,857,016.85	-	-	-	911,857,016.85	911,857,016.85
Accrued employee compensation	288,876,334.79	-	-	-	288,876,334.79	288,876,334.79
Non-current liabilities due within one year	1,285,004,984.13	-	-	-	1,285,004,984.13	1,285,004,984.13
Long-term borrowings	-	2,144,877,900.88	1,123,625,000.00	212,940,000.00	3,481,442,900.88	3,481,442,900.88
Lease liabilities	-	23,695,298.41	37,253,583.10	38,588,345.60	169,517,027.11	132,959,222.56
Total	8,875,069,634.67	2,168,573,199.29	1,160,878,583.10	301,528,345.60	12,526,029,562.66	12,489,471,758.11

(1) Market Risk

Market risk of financial instruments refers to the risk that the fair value or future cash flows of financial instruments fluctuate due to changes in market prices, including foreign exchange risk, interest rate risk, and other price risks. The Company mainly faces foreign exchange risk and interest rate risk.

1) Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of financial instruments may fluctuate due to changes in market interest rates. The Company's interest rate risk primarily arises from its long-term and short-term bank borrowings.

The Company's net profit would decrease or increase by RMB 35,920,014.28 (December 31, 2023: RMB 20,088,837.83). Management believes that 100 basis points reasonably reflects the probable range of interest rate changes for the next fiscal year.

2) Exchange Rate Risk

Exchange rate risk refers to the risk that the fair value or future cash flows of financial instruments may fluctuate due to changes in foreign exchange rates.

The Company minimizes foreign exchange risk by matching foreign currency revenues with foreign currency expenditures whenever possible. Additionally, the Company may enter into forward foreign exchange contracts or currency swap agreements to hedge against foreign exchange risk. The Company's foreign exchange risk primarily arises from financial assets and liabilities denominated in U.S. dollars. The amounts of foreign currency financial assets and liabilities converted into Renminbi are presented as follows:

Item	Balance at End of Period				Balance at End of Previous Year			
	USD	Euro	Other Foreign Currencies	Total	USD	Euro	Other currencies	Total
Cash and cash equivalents	1,171,482,462.84	461,110,948.85	540,921,635.98	2,173,515,047.67	540,591,469.38	372,980,571.56	197,918,393.79	1,111,490,434.73
Accounts Receivable	612,326,049.48	313,956,027.28	204,030,763.91	1,130,312,840.67	709,887,468.44	325,252,462.76	231,026,837.39	1,266,166,768.59
Other receivables	97,123,964.64	58,624,003.33	1,382,734.50	157,130,702.47	88,214,242.56	9,436,883.63	11,391,475.24	109,042,601.43
Short-term borrowings	-	63,125.57	-	63,125.57	-	1,240,928.38	-	1,240,928.38
Accounts Payable	231,893,793.00	150,148,949.44	181,794,112.66	563,836,855.10	145,093,716.96	50,265,249.30	165,634,685.64	360,993,651.90
Other Payables	9,129,654.95	84,336,601.12	115,420,099.88	208,886,355.95	126,524,844.03	12,984,194.22	142,021,058.84	281,530,097.09
Non-current liabilities due within one year Liabilities	5,632,990.04	918,150,194.17	-	923,783,184.21	-	-	-	-
Long-term borrowings	-	-	-	-	-	1,075,278,772.92	-	1,075,278,772.92
Lease liabilities	7,998,670.55	33,761,997.63	-	41,760,668.18	9,319,458.57	49,206,868.13	-	58,526,326.70
Long-term Payables	-	-	895,087.52	895,087.52	-	2,935,302.35	562,527.00	3,497,829.35
Long-term employee compensation payable	8,813,179.67	102,528,633.92	-	111,341,813.59	8,683,588.52	117,622,804.97	-	126,306,393.49

Compensation								

As of December 31, 2024, assuming all other variables remain constant, a 1% appreciation or depreciation of the Renminbi against the U.S. dollar would increase or decrease the Company's net profit by RMB 13,696,041.93 (December 31, 2023: RMB 4,195,849.69).Management believes that a 1% fluctuation reasonably reflects the potential range of RMB/USD movements for the coming year.

2. Hedging

(1) The company engages in hedging activities for risk management.

☐ Applicable √ Not Applicable

Other Notes:

☐ Applicable √ Not Applicable

(2) The company engages in qualifying hedging activities and applies hedge accounting

☐ Applicable √ Not Applicable

Other Notes:

☐Applicable √Not applicable

(3) The company engages in hedging activities for risk management purposes, expects to achieve risk management objectives, but does not apply hedge accounting

☐Applicable √Not applicable

Other Notes:

☐ Applicable √ Not applicable

3. Transfer of Financial Assets

(1) Classification of Transfer Method

√ Applicable ☐ Not Applicable

Unit: Yuan Currency: Renminbi

Transfer Method	Transferred Financial Assets Asset Type	Transferred Financial Assets Amount	Derecognition Circumstances	Basis for Determining Derecognition
accepted bills Endorsed/Discounted	Accounts receivable financing Financing	1,045,673,818.11	Derecognition	Commercial paper not yet matured for payment after endorsement/discounting Commercial paper. The Company has transferred substantially all risks and rewards of ownership of the commercial paper to third parties. to the transferee. to the transferee
Commercial Bills Endorsement /Discount	Notes receivable	218,730,932.48	Not derecognized	Commercial paper not yet due for payment after endorsement/discounting The bill of exchange, due to the commercial credit of the drawee and other factors, , our company has not actually transferred the risks associated with bill ownership. risk associated with bill ownership.
Total	/	1,264,404,750.59	/	/

(2) Financial assets derecognized due to transfer

☐Applicable √Not applicable

(3) Financial assets transferred with continuing involvement

☐ Applicable √ Not Applicable

Other Notes:

☐ Applicable √ Not applicable

XIII. Fair Value Disclosure

1. Fair value at end of period for assets and liabilities measured at fair value

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Item	Fair Value at End of Period			
	Level 1 Fair Value Fair Value Measurement	Level 2 Fair Fair Value Measurement	Level 3 Fair Value Measurement	Total
I. Continuous Fair Value Measurement	-	-	-	-
(1) Trading Financial Assets	181,971,209.41	-	-	181,971,209.41
1. Financial assets at fair value through profit or loss Financial Assets at Fair Value Through Profit or Loss	181,971,209.41	-	-	181,971,209.41
(1) Debt instrument investments	-	-	-	-
(2) Equity Investments	-	-	-	-
(3) Derivative Financial Assets	181,971,209.41	-	-	181,971,209.41
2. Financial assets designated at fair value through profit or loss Financial Assets	-	-	-	-
(1) Debt Instrument Investments	-	-	-	-
(2) Equity Investments	-	-	-	-
(2) Other Debt Investments	-	-	-	-
(3) Other Equity Investments	-	-	-	-
(IV) Investment Properties	-	-	-	-
1. Land use rights for lease	-	-	-	-
2. Leased buildings	-	-	-	-
3. Land use rights held for appreciation and subsequent transfer land use rights	-	-	-	-
(5) Biological Assets	-	-	-	-
1. Exhaustible Biological Assets	-	-	-	-
2. Productive Biological Assets	-	-	-	-
(6) Receivables Financing	-	613,521,773.72	-	613,521,773.72
(VII) Other Non-Current Financial Assets	-	-	927,087,774.44	927,087,774.44
1. Financial assets at fair value through profit or loss recognized in profit or loss	-	-	927,087,774.44	927,087,774.44
(1) Equity Instrument Investments	-	-	926,031,798.32	926,031,798.32
(2) Other	-	-	1,055,976.12	1,055,976.12
Assets measured at fair value through profit or loss Total assets	181,971,209.41	613,521,773.72	927,087,774.44	1,722,580,757.57
(8) Trading Financial Liabilities	189,147.00	-	-	189,147.00
1. Financial liabilities measured at fair value through profit or loss Financial liabilities at fair value through profit or loss	189,147.00	-	-	189,147.00
Of which: Trading bonds issued	-	-	-	-
Derivative financial liabilities	189,147.00	-	-	189,147.00
Other	-	-	-	-

Item	Fair Value at End of Period			
	Level 1 Fair Value Measurement	Level 2 Fair Fair Value Measurement	Level 3 Fair Value Measurement	Total
II. Non-recurring Fair Value Measurements	-	-	-	-
(a) Assets Held for Sale	-	-	-	-
Non-continuously fair value-measured Total Assets	-	-	-	-
Non-continuously fair value-measured Total liabilities	-	-	-	-

2. Basis for determining market prices of continuing and discontinued Level 1 fair value measurement items

√ Applicable ☐ Not applicable

The Company classifies derivative financial assets as Level 1 fair value measurement items, with their fair values determined based on publicly available market exchange rates.

3. Qualitative and quantitative information on valuation techniques and significant inputs used for ongoing and discontinued Level 2 fair value measurement items

√ Applicable ☐ Not applicable

For receivables financing with short remaining terms where carrying amounts approximate fair values, the carrying amount is used as the fair value.

4. Qualitative and quantitative information on valuation techniques and significant inputs for continuing and discontinued Level 3 fair value measurements

√ Applicable ☐ Not applicable

The Company's equity instrument investments can be measured at fair value using the market approach or through third-party audit reports.

5. Reconciliation between the opening and closing book values of ongoing Level 3 fair value measurement items and sensitivity analysis of unobservable parameters

√ Applicable □ Not applicable

Reconciliation information for ongoing Level 3 fair value measurement items:

Item	Balance at end of previous year	Transferred to Level 3 Transfer to Level 2	Transfers Out of Level 3 Transfer to Tier 3	Total gains or losses for the period		Purchase, issuance, sale, and settlement				Ending balance	For assets held at the reporting period-end, unrealized gains or changes recognized in profit or loss for the period
				Included in gains or losses from changes in fair value	Recognized in other comprehensive income	Purchase	Exchange rate changes	Sale	Settlement		
Other non-current financial assets	844,039,096.96	-	-	81,541,472.80	-	1,750,000.00	-242,795.32	-	-	927,087,774.44	-
Financial assets at fair value through profit or loss	844,039,096.96	-	-	81,541,472.80	-	1,750,000.00	-242,795.32	-	-	927,087,774.44	-
Financial Assets —Equity instrument investments	842,682,410.58	-	-	81,561,934.55	-	1,750,000.00	37,453.19	-	-	926,031,798.32	-
—Other	1,356,686.38	-	-	-20,461.75	-		-280,248.51	-	-	1,055,976.12	-
Total	844,039,096.96	-	-	81,541,472.80	-	1,750,000.00	-242,795.32	-	-	927,087,774.44	-

6. Policy for determining the reasons and timing of transfers between fair value measurement levels for items subject to continuous fair value measurement during the current period

□Applicable √ Not applicable

7. Changes in valuation techniques during the current period and reasons for such changes

□ Applicable √ Not applicable

8. Fair value status of financial assets and liabilities not measured at fair value

□Applicable √ Not applicable

9. Other

☐ Applicable √ Not applicable

XIV. Related Parties and Related Party Transactions

1. Information on the Parent Company of the Enterprise

√ Applicable ☐ Not applicable

Unit: RMB 10,000 Currency: Renminbi

Parent Company Name	Registered Location	Nature of Business	Registered Capital	Parent Company's Shareholding Ratio in This Enterprise (%)	Parent Company's Voting Rights in This Enterprise (%)
WOLONG Holdings Group Co., Ltd.	Zhejiang	Motor manufacturing; motors and control systems, power transmission and transformation, electric vehicles, power supply products, Mechatronics and industrial automation products Investment in high-tech industries; Real estate development ; commercial, hotel, and other industrial investments; Foreign investment; investment management; Products and Raw Materials; Import and Export import and export business	80,800	37.20	37.20

Description of the Parent Company of This Enterprise:

None

The ultimate controlling party of this enterprise is Chen Jiancheng

Other notes:

None

2. Information on the Company's Subsidiaries

Details of the company's subsidiaries are provided in the notes.

√ Applicable ☐ Not applicable

Details regarding the Company's subsidiaries are provided in Section 10 of the Financial Report, "10. Interests in Other Entities," of this report.

3. Joint Ventures and Associates of the Company

Details of the Company's significant joint ventures or associates are provided in the notes.

√ Applicable ☐ Not applicable

Details of the Company's significant joint ventures or associates are provided in "Section 10: Financial Statements" under "10. Interests in Other Entities" of this report.

Other joint ventures or associates that have conducted related party transactions with the Company during the current period, or that have outstanding balances from related party transactions with the Company in prior periods, are as follows

√ Applicable ☐ Not Applicable

Name of Joint Venture or Associate	Relationship with the Company
Wolong Resources Group Co., Ltd. (hereinafter referred to as "Wolong Resources")	Same Controlling Shareholder
Zhejiang Mantovani Machinery Co., Ltd. (hereinafter referred to as "Mantovani")	Same Controlling Shareholder
Shanghai Wolong Financial Leasing Co., Ltd. (hereinafter referred to as "Wolong Financial Leasing")	Same Controlling Shareholder
WOLONG Electric Group Beijing Huatai Transformer Co., Ltd. (hereinafter	Same Controlling

Name of Joint Venture or Associate	Relationship with the Company
Zhejiang Wolong Mining Co., Ltd. (hereinafter referred to as "Zhejiang Mining")	Same Controlling Shareholder
Wolong (Tianjin) Commercial Factoring Co., Ltd. (hereinafter referred to as "Tianjin Factoring")	Same Controlling Shareholder

Other Notes:

☐ Applicable √ Not Applicable

4. Other Related Party Information

☐ Applicable √ Not

Applicable **5.**

Related Party

Transactions

(1). Related-party transactions involving the purchase and sale of goods, provision and receipt of services

Table of Purchased Goods/Received Services

Unit: RMB 10,000

√ Applicable ☐ Not Applicable

Related Party	Related Party Transaction Details	Transaction Amount for Current Period	Approved Transaction Amount Frequency (if applicable)	Exceeding Transaction (if applicable)	Previous Period Amount
Wolong Resources	Property and Service Fees	1,346.29	-	No	1,032.65
Wolong Resources	Consulting Fee	47.17	-	No	47.17
Wolong Resources	Project Management Fee	-	-	No	263.21
Wolong Resources	Real Estate Procurement	-	-	No	11,710.09
Wolong Holdings	Office Expense Allocation	100.66	-	No	38.58
Mantovani	Procurement Materials	484.59	-	No	428.99
Shanghai Mining	Procurement Expenses	54.14	-	No	38.33
Yantai Transformer	Equipment Procurement	1,281.83	-	No	71.01
Beijing Huatai	Procurement Materials	1,102.10	-	No	1,945.61
Wolong Financial Leasing	Procurement Expenses	20.06	-	No	6.75
Mantovani	Acquired Assets	3.76	-	No	-

Statement of Sales of Goods/Provision of Services

√ Applicable ☐ Not Applicable

Unit: Ten Thousand Yuan

Currency: Renminbi

Related Party	Related Party Transaction Details	Current Period Amount	Previous Period Amount
Wolong Holdings	Cost Allocation	323.19	359.74
Wolong Resources	Cost Allocation	78.31	13.56
Wolong Resources	Construction Services	44.75	-
Mantovani	Merchandise Sales	19.70	220.35
Mantovani	Cost Allocation	456.45	420.87
Beijing Huatai	Cost Allocation	52.31	17.48
Yantai Transformer	Sales of Goods and Expense Allocation	1,630.09	1,559.24
Wolong Financial Leasing	Cost Allocation and Consulting Services	236.79	154.78
Zhejiang Mining	Cost Allocation and Agency Services	8.05	9.66
Tianjin Factoring	Sale of Goods	67.00	-

Description of Related-Party Transactions for Purchasing and Selling Goods, Providing and Receiving Services

☐ Applicable √ Not Applicable

(2). Related Entrustment Management/Contractual Arrangements and Commissioned Management/Outsourcing Situations

Company Entrusted Management/Contract Status Table:

☐ Applicable √ Not Applicable

Description of Related-Party Custody/Contractual Arrangements

☐ Applicable √ Not Applicable

Company's Entrusted Management/Outsourcing Status Table

☐ Applicable √ Not Applicable

Affiliated Management/Outsourcing Situation Statement

☐ Applicable √ Not Applicable

(3). Related-Party

Leasing Status

(Company as Lessor):

√ Applicable ☐ Not Applicable

Unit: RMB 10,000 Currency: RMB

Lessee Name	Type of Leased Asset	Lease Revenue Recognized for the Current Period	Lease Revenue Recognized in the Previous Period
Wolong Holdings	Real Estate	47.62	47.62
Wolong Resources	Real Estate	47.62	47.62
Wolong Resources	Other Leases	-	0.27

The Company as Lessee:

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Lessor Name	Type of Leased Asset	Rental expense for short-term leases and leases of low-value assets treated under simplified accounting (if applicable) Applicable)		Variable lease payments not recognized as a lease liability (if applicable) Applicable)		Rent paid		Interest expense on lease liabilities assumed		Increase in right-of-use assets	
		Current period amount	Previous Period Amount	Current period Amount	Previous Period Amount	Current Period Amount	Previous period Amount	Current Period Amount	Previous period Amount	Current Period Amount	Previous period Amount
Wolong Resources	Apartment	4.63	12.24	-	-	-	-	-	-	-	-

Statement on Related-Party Leases

□ Applicable √ Not Applicable

(4). Related

Guarantee Situation

Company as Guarantor

Unit: Yuan Currency: Renminbi

√ Applicable □ Not Applicable

Guarantee Recipient	Guarantee Amount	Guarantee Commencement Date	Guarantee Expiration Date	Has the guarantee been fulfilled? Completed
Wolong Holdings	25,000.00	March 30, 2022	March 29, 2024	Yes
Wolong Holdings	14,000.00	May 29, 2023	March 21, 2025	No
Wolong Holdings	5,000.00	May 29, 2023	2025-4-19	No
Wolong Holdings	33,000.00	2023-9-19	September 19, 2025	No
Wolong Holdings	25,000.00	May 23, 2024	May 23, 2026	No
Zhejiang Longneng	10,000.00	2020-12-29	December 28, 2026	No
Zhejiang Longneng	5,000.00	May 25, 2021	December 28, 2026	No
Zhejiang Longneng	10,000.00	2021-11-22	November 22, 2028	No
Duchang Longneng	20,000.00	2019-11-30	2022-11-29	No
Wolong Lighthouse	5,000.00	March 14, 2023	March 13, 2025	No
Wolong Lighthouse	2,000.00	2023-7-14	July 10, 2024	Yes
Wolong Lighthouse	480.00	2023-7-14	2024-1-7	Yes
Wolong ZF	10,000.00	2023-11-13	November 13, 2025	No
Zhejiang Energy Storage	5,200.00	May 15, 2024	May 14, 2025	No
Zhejiang Energy Storage	8,000.00	2024-11-19	2025-11-19	No
Jinan Electric Motor	5,000.00	2023-11-13	2024-11-13	Yes

This company as the guaranteed party

Unit: Yuan Currency: Renminbi

√ Applicable □ Not Applicable

Guarantor	Guarantee Amount	Guarantee Commencement Date	Guarantee Expiration Date	Has the guarantee been fulfilled? Completed
Wolong Holdings	20,000.00	August 31, 2022	August 30, 2024	Yes
Wolong Holdings	10,000.00	2022-9-16	September 13, 2025	No
Wolong Holdings	22,000.00	September 23, 2022	September 22, 2024	Yes
Wolong Holdings	18,000.00	February 8, 2023	February 7, 2025	No
Wolong Holdings	10,000.00	March 24, 2023	March 23, 2025	No
Wolong Holdings	10,000.00	February 21, 2023	February 20, 2025	No
Wolong Holdings	50,000.00	June 21, 2023	June 20, 2026	No
Wolong Holdings	50,000.00	2023-4-28	April 27, 2028	No
Wolong Holdings	66,900.00	2023-3-1	2023-8-23	Yes
Wolong Holdings	5,700.00	2023-1-1	2024-12-31	Yes
Wolong Holdings	4,300.00	2023-4-10	2025-4-9	No
Wolong Holdings	10,000.00	2023-7-21	January 20, 2025	No
Wolong Holdings	32,500.00	2024-1-15	January 15, 2026	No
Wolong Holdings	30,000.00	June 26, 2024	June 26, 2029	No
Wolong Holdings	22,000.00	2024-9-19	September 18, 2026	No
Wolong Holdings	15,000.00	2024-8-20	August 19, 2026	No
Wolong Holdings	10,000.00	2024-8-23	August 22, 2026	No
Wolong Holdings	8,000.00	2015-6-29	June 29, 2030	No
Wolong Holdings	6,800.00	January 21, 2016	2030-1-21	No

Statement on Related-Party Guarantees

√ Applicable □ Not Applicable

As of the reporting period, in addition to the guarantees provided for the aforementioned subsidiaries, the total amount of guarantee contracts for wholly-owned subsidiaries by the Company and its subsidiaries is

Total: RMB 2,365,419,000.

(5). Related-party funds lending

□ Applicable √ Not Applicable

(6). Related-party asset transfers and debt restructuring

□ Applicable √ Not applicable

(7). Key Management Personnel Compensation

√ Applicable □ Not Applicable

Unit: RMB 10,000 Currency: Renminbi

Item	Current Period Amount	Previous Period Amount
Key Management Personnel Compensation	985.04	950.58

(8). Other Related Party Transactions

√ Applicable □ Not applicable

In June 2024, Wolong Holding and Zhejiang Wolong Electric Door Co., Ltd. respectively transferred their 70.00% equity interest in Shangyu Shunfeng Electric Power

to the Company at zero consideration.

6. Unsettled Items with Related Parties (Accounts Receivable/Payable, etc.)

(1). Receivables

√ Applicable □ Not applicable

Unit: RMB Currency: RMB

Item Name	Related Party	Ending Balance		Opening Balance	
		Book Balance	Allowance for Doubtful Accounts	Book Balance	Allowance for Doubtful Accounts
Accounts Receivable	Yantai Transformer	426.81	21.34	435.72	21.79
Accounts Receivable	Beijing Huatai	66.66	3.33	108.69	5.43
Accounts Receivable	Mantovani	11.69	0.58	99.6	4.98
Accounts Receivable	Wolong Resources	23.06	1.15	-	-
Accounts Receivable	Shanghai Financial Leasing	-	-	4.63	0.23
Prepaid Accounts	Yantai Transformer	181.95	-	238.50	-
Prepaid Accounts	Beijing Huatai	-	-	25.00	-
Prepaid Accounts	Shanghai Financial Leasing	13.36		20.53	-
Other Receivables	Beijing Huatai	-	-	1.41	0.07
Other Receivables	Wolong Holdings	14.96	0.75	-	-
Other Receivables	Mantovani	9.07	0.45	-	-
Other Non-Current Assets	Beijing Huatai	-	-	16.26	-

(2). Accounts Payable

√ Applicable ☐ Not applicable

Unit: CNY Currency: Renminbi

Item Name	Related Parties	Closing Balance	Opening Balance
Accounts Payable	Beijing Huatai	1,136.62	1,051.11
Accounts Payable	Yantai Transformer	383.60	71.01
Accounts Payable	Mantovani	1.95	47.32
Accounts Payable	Tianjin Factoring	141.40	-
Other Payables	Beijing Huatai	25.00	28.10
Other Payables	Yantai Transformer	66.80	15.00
Other Payables	Shanghai Mining	-	5.00
Other Payables	Wolong Resources	43.25	28.51
Other Payables	Wolong Holdings	7.33	0.80
Other Payables	Mantovani	10.02	6.60
Notes payable	Beijing Huatai	-	59.01

(3). Other Items

☐ Applicable √ Not Applicable

7. Related Party Commitment

☐ Applicable √ Not applicable

8. Other

☐Applicable √ Not applicable

XV. Share-Based Payments

1.

√ Applicable □ Not Applicable

Quantity Unit: Shares Amount Unit: Yuan Currency: Renminbi

Grant Recipient Category	Current Grant		Current Exercise		Current Period Unlocked		Expired in Current Period	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Directors, senior management, core technical personnel, core business personnel, and other personnel deemed necessary for motivation by the management team and board of directors	832,000	10,044,400.00	710,138	8,838,436.58	-	-	13,249,762	170,412,958.42
Total	832,000	10,044,400.00	710,138	8,838,436.58	-	-	13,249,762	170,412,958.42

Pursuant to the provisions of the 2021-2023 Employee Stock Ownership Plan, the Company allocated a total of RMB 10.0444 million from the 2023 Employee Stock Ownership Plan Incentive Fund in April 2024. These funds will be entirely used to purchase and hold the Company's shares on the secondary market, subject to unlocking upon fulfillment of performance assessment conditions.

Other descriptions

Share-based payment expenses for the current period and their allocation

Applicable

Unit: Yuan

Grant Recipient Category	Amount Charged to Cost of Sales	Amount Charged to Selling Expenses	Amount Charged to Administrative Expenses	Amount Charged to Research and Development Expenses	Amount Charged to Finance Expenses
Directors, senior management, core technical personnel, core business personnel, and other personnel deemed necessary for motivation by the management team and board of directors	1,205,000.00	1,205,000.00	1,205,000.00	1,205,000.00	1,205,000.00
Total	1,205,000.00	1,205,000.00	1,205,000.00	1,205,000.00	1,205,000.00

Other descriptions

Pursuant to the provisions of the 2021-2023 Employee Stock Ownership Plan, the Company allocated a total of RMB 10.0444 million from the 2023 Employee Stock Ownership Plan Incentive Fund in April 2024. These funds will be entirely used to purchase and hold the Company's shares on the secondary market, subject to unlocking upon fulfillment of performance assessment conditions.

Outstanding stock options or other equity instruments at the end of the period

☐ Applicable √ Not applicable

2. Equity-settled share-based payments

√ Applicable ☐ Not applicable

Unit: RMB Currency: Renminbi

Method for determining the fair value of equity instruments on the grant date	Fair value of equity instruments determined using the Black-Scholes option pricing model (Black-Scholes Model) to determine the fair value of stock options on the grant date value
Key Parameters for Fair Value of Equity Instruments at Grant Date	Current market price of the stock, risk volatility, annualized risk-free rate of return
Basis for determining the number of equity instruments that may be exercised	At each balance sheet date during the vesting period, the number of stock options expected to vest shall be adjusted based on subsequent information such as changes in the latest count of eligible employees and the achievement of performance metrics. the estimated number of stock options expected to vest.
Reasons for significant differences between the current period's estimate and the previous period's estimate	None
The cumulative amount of equity-settled share-based payments recognized in capital surplus	44,184,132.04

Other notes:
None

3. Cash-settled share-based payments

☐ Applicable √ Not applicable

4. Share-based payment expenses for the period

√ Applicable ☐ Not applicable

Unit: RMB Currency: Renminbi

Grant Recipient Category	Equity-settled share-based payment expenses	Cash-settled share-based payment expenses
Management	8,210,750.00	-
Total	8,210,750.00	-

Other Notes:
None

5. Modifications or Terminations of Share-Based Payments

☐ Applicable √ Not applicable

6. Other

☐ Applicable √ Not applicable

XVI. Commitments and Contingent Liabilities

1. Significant Commitments

☐ Applicable √ Not Applicable

2. Contingent Liabilities

(1). Significant Contingent Liabilities Existing at the Balance Sheet Date

☐ Applicable √ Not applicable

(2). The Company has no material contingent liabilities requiring disclosure and should state:

☐ Applicable √ Not applicable

3. Other

☐ Applicable √ Not applicable

XVII. Events After the Balance Sheet Date

1. Significant Non-Adjusting Events

☐Applicable √Not applicable

2. Profit Distribution

√ Applicable ☐ Not Applicable

Unit: Yuan Currency: Renminbi

Proposed Profit Distribution or Dividend	194,621,163.90
Approved and declared profits or dividends	-

3. Sales returns

☐ Applicable √ Not applicable

4. Other Post-Balance-Sheet-Date Events

√ Applicable ☐ Not applicable

Pursuant to the resolution adopted at the Company's First Extraordinary General Meeting of Shareholders held on February 26, 2025, the equity interests in Zhejiang Longneng, Zhejiang Energy Storage, Shangyu Shunfeng Electric, and Yingnaide to the related party Wolong Resources. These companies completed their industrial and commercial registration changes in March 2025.

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XVIII. Other Important Matters 1. Correction of Prior-Period Accounting Errors (1). Retrospective restatement method

☐Applicable √Not Applicable

(2). Future Application Method

□Applicable √Not applicable

2. Significant Debt Restructuring

□Applicable √Not Applicable

3. Asset Swap

(1). Non-monetary Asset Exchange

□Applicable √ Not applicable

(2). Other Asset Swaps

□ Applicable √ Not applicable

4. Pension Plans

□Applicable √Not applicable

5. Discontinued Operations

□Applicable √Not

applicable 6.

Segment

Information

(1). Basis for Identifying Reportable Segments and Accounting Policies

□Applicable √ Not applicable

(2). Financial Information of Reportable Segments

□Applicable √ Not applicable

(3). If the company has no reportable segments, or cannot disclose the total assets and total liabilities of each reportable segment, the reasons should be explained.

□Applicable √ Not applicable

(4). Other Explanations

□Applicable √ Not applicable

7. Other significant transactions and matters affecting investor decision-making

□Applicable √ Not applicable

8. Other

□Applicable √ Not applicable

XIX. Notes to Selected Financial Statements of the Parent Company 1.

Accounts Receivable

(1). Disclosed by aging

√ Applicable □ Not applicable

Unit: RMB Currency: Renminbi

Accounts Receivable Aging	Balance at End of Period	Opening Balance
Within 1 year		
Of which: Breakdown within 1 year		
Within 1 year	1,576,177,177.11	1,064,662,864.35
Subtotal within 1 year	1,576,177,177.11	1,064,662,864.35
1 to 2 years	66,132,941.80	187,210,724.35
2 to 3 years	28,643,066.50	3,353,007.05
Over 3 years	-	-
3 to 4 years	1,554,446.55	38,295,037.67
4 to 5 years	9,063,839.66	7,108,658.46
Over 5 years	18,867,659.36	14,396,436.75
Total	1,700,439,130.98	1,315,026,728.63

(2). Classified Disclosure by Bad Debt Provision Method

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Category	Ending Balance					Opening Balance				
	Book Balance		Allowance for Doubtful Accounts		Book Value	Book Balance		Allowance for Doubtful Accounts		Book value
	Amount	Ratio (%)	Amount	Accrual Ratio (%)		Amount	Ratio (%)	Amount	Provision Ratio (%)	
Individual Bad Debt Provision	811,359,977.20	47.71	46,806,524.77	5.77	764,553,452.43	562,917,383.15	42.81	67,501,494.28	11.99	495,415,888.87
Of which:										
Consolidated with related parties Provision	804,793,107.82	47.32	40,239,655.39	5.00	764,553,452.43	520,142,687.61	39.55	26,007,134.38	5.00	494,135,553.23
Separate provision for third parties	6,566,869.38	0.39	6,566,869.38	100.00		42,774,695.54	3.25	41,494,359.90	97.01	1,280,335.64
Collectively Impaired Provision	889,079,153.78	52.29	74,104,502.58	8.33	814,974,651.20	752,109,345.48	57.19	56,835,913.21	7.56	695,273,432.27
Of which:										
Accounts Receivable Aging Analysis Method	889,079,153.78	52.29	74,104,502.58	8.33	814,974,651.20	752,109,345.48	57.19	56,835,913.21	7.56	695,273,432.27
Total	1,700,439,130.98	/	120,911,027.35	/	1,579,528,103.63	1,315,026,728.63	/	124,337,407.49	/	1,190,689,321.14

Provision for bad debts made on an item-by-item basis:
□ Applicable √ Not applicable

Collectively-assessed bad debt provision:

√ Applicable □ Not applicable

Portfolio-based provisioning method: Aging analysis method

Unit: Yuan Currency: Renminbi

Name	Ending Balance		
	Accounts Receivable	Allowance for Doubtful Accounts	Allowance Percentage (%)
Within 1 year (including 1 year)	771,384,069.29	38,569,203.47	5.00
1 to 2 years (including 2 years)	66,132,941.80	6,613,294.18	10.00
2 to 3 years (including 3 years)	28,643,066.50	8,592,919.95	30.00
3 to 4 years (including 4 years)	1,554,446.55	777,223.28	50.00
4 to 5 years (including 5 years)	9,063,839.66	7,251,071.73	80.00
Over 5 years	12,300,789.98	12,300,789.98	100.00
Total	889,079,153.78	74,104,502.58	-

Notes on Provision for Bad Debts by Portfolio:

□ Applicable √ Not applicable

Provision for bad debts based on the expected credit loss general model

□Applicable √Not applicable

Criteria for stage classification and provisioning ratios: None

Explanation of significant changes in the carrying amount of accounts receivable resulting in changes to loss provisions during the current period:

□Applicable √Not applicable

(3). Status of Allowance for Doubtful Accounts

√ Applicable □ Not applicable

Unit: Yuan Currency: Renminbi

Category	Opening Balance	Current Period Change				Ending Balance
		Accrued	Recovered or Reversal	Write-off or Write-down	Other Changes	
Accounts receivable	124,337,407.49	23,379,685.31	-	26,806,065.45	-	120,911,027.35
Allowance for Doubtful Accounts						
Total	124,337,407.49	23,379,685.31	-	26,806,065.45	-	120,911,027.35

Significant amounts of bad debt provisions recovered or reversed during the current period:

□ Applicable √ Not Applicable

Other Notes:

None

(4). Actual write-offs of accounts receivable during the current period

□ Applicable √ Not applicable

Significant write-offs of accounts receivable during the current period

□Applicable √Not applicable

Accounts receivable write-off explanation:

□Applicable √ Not applicable

(5). Top five accounts receivable and contract assets by debtor at the end of the period

√ Applicable □ Not applicable

Unit: RMB Currency: Renminbi

Company Name	Accounts Receivable - Ending Balance	Contract Assets Balance at End of Period	Balance of Accounts Receivable and Contract Assets at End of Period	Percentage of Total Balance of Accounts Receivable and Contract Assets at End of Period (%)	Balance of Allowance for Doubtful Accounts at End of Period
First Place	128,992,826.84		128,992,826.84	7.55	6,449,641.34
Second Place	104,165,551.70		104,165,551.70	6.10	5,208,277.59
Third Place	98,421,143.10	1,000,000.00	99,421,143.10	5.82	5,770,179.02
Fourth	71,714,783.41		71,714,783.41	4.20	3,585,739.17
Fifth Place	49,556,126.86		49,556,126.86	2.90	2,477,806.34
Total	452,850,431.91	1,000,000.00	453,850,431.91	26.57	23,491,643.46

Other Notes:
None.

Other Notes:

□ Applicable √ Not Applicable

2. Other Receivables

Itemized

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Item	Ending Balance	Opening Balance
Interest Receivable	-	-
Dividends Receivable	-	-
Other receivables	537,491,809.45	279,948,082.84
Total	537,491,809.45	279,948,082.84

Other Notes:

□ Applicable √ Not Applicable

Interest Receivable

(1). Classification of Interest Receivable

□ Applicable √ Not Applicable

(2). Significantly Past-Due Interest

□Applicable √Not Applicable

(3). Classification Disclosure by Bad Debt Provision Method

□Applicable √Not Applicable

Individual bad debt provisioning:

☐Applicable √Not applicable

Explanation of individual bad debt provisioning:

☐Applicable √Not applicable

Collective impairment allowance:

☐Applicable √Not applicable

(4). Provisioning for bad debts using the expected credit loss general model:

☐Applicable √Not applicable

Criteria for stage classification and provisioning ratios: None

Explanation of significant changes in the carrying amount of interest receivable resulting in loss provision adjustments during the current period:

☐Applicable √Not applicable

(5). Status of Allowance for Doubtful Accounts

☐Applicable √Not applicable

Significant amounts of bad debt provisions recovered or reversed during the current period:

☐ Applicable √ Not applicable

Other Notes:
None

(6). Actual interest receivable written off during the current period

☐Applicable √Not applicable

Significant interest receivable write-offs during the period

☐Applicable √Not applicable

Write-off Explanation:

☐ Applicable √ Not Applicable

Other Notes:

☐Applicable √ Not applicable

Dividends

Receivable (1).

Dividends

Receivable

☐Applicable √Not applicable

(2). Significant accounts receivable over 1 year old

☐Applicable √Not applicable

(3). Classified disclosure based on bad debt provisioning method

☐Applicable √Not applicable

Individual bad debt provisioning:

☐Applicable √Not applicable

Explanation of individual bad debt provisioning:

☐Applicable √Not applicable

Collective impairment allowance:

☐Applicable √Not applicable

(4). Provisioning for bad debts using the expected credit loss general model

☐Applicable √Not applicable

Basis for classification of stages and bad debt provision accrual ratio: None

Explanation of significant changes in the carrying amount of receivable dividends resulting from changes in loss provisions during the current period:

☐ Applicable √ Not applicable

(5). Status of bad debt provisions

☐ Applicable √ Not applicable

Significant amounts of bad debt provisions recovered or reversed during the current period:

☐ Applicable √ Not applicable

Other Notes:
None

(6). Actual write-offs of dividends receivable during the current period

☐Applicable √Not applicable

Significant write-offs of dividends receivable:

☐Applicable √Not applicable

Write-off Explanation:

☐ Applicable √ Not applicable

Other Notes:

☐Applicable √Not applicable

Other Receivables

(1). Disclosed by aging

Unit: Yuan Currency: Renminbi

√ Applicable □ Not applicable

Accounts Receivable Aging	Balance at End of Period	Opening Balance
Within 1 year		
Of which: Breakdown within 1 year		
Within 1 year	551,367,835.27	267,309,709.98
Subtotal within 1 year	551,367,835.27	267,309,709.98
1 to 2 years	2,484,891.64	10,895,246.23
2 to 3 years	3,925,180.65	2,444,425.60
3 years or more	-	-
3 to 4 years	893,877.45	430,563.82
4 to 5 years	5,000.00	11,000.00
5 years or more	8,351,520.00	16,345,520.00
Total	567,028,305.01	297,436,465.63

(2). Classification by Nature of Funds

Unit: Yuan Currency: Renminbi

√ Applicable □ Not Applicable

Nature of Funds	Ending Book Balance	Opening Balance
Accounts receivable	546,367,338.92	277,170,352.50
Contingency Funds and Employee Loans	1,921,101.19	4,229,481.01
Security deposits	13,617,884.37	12,832,606.21
Other	5,121,980.53	3,204,025.91
Total	567,028,305.01	297,436,465.63

(3). Provision for Bad Debts

Unit: Yuan Currency: Renminbi

√ Applicable □ Not Applicable

Bad Debt Allowance	Stage 1	Stage 2	Stage 3	Total
	Expected Credit Loss Over the Next 12 Months	Expected Credit Loss Over the Entire Life (Before Credit Impairment) Credit Impairment)	Expected Credit Losses Over the Entire Life (No Credit Impairment Occurred) Credit Impairment)	
Balance as of January 1, 2024	17,488,382.79	-	-	17,488,382.79
Balance as of January 1, 2024	17,488,382.79	-	-	17,488,382.79
--Transferred to Phase II	-	-	-	-
--Transition to Phase Three	-	-	-	-
--Return to Phase Two	-	-	-	-
--Return to Phase One	-	-	-	-
Current Period Accrual	21,306,825.63	-	-	21,306,825.63
Reversal for the Period	9,258,712.86	-	-	9,258,712.86
Current Period Write-off	-	-	-	-
Current Period Write-off	-	-	-	-
Other Changes	-	-	-	-
Balance as of December 31, 2024	29,536,495.56	-	-	29,536,495.56

Basis for classification by stage and bad debt provision ratio: None

Explanation of significant changes in the carrying amount of other receivables subject to loss provision adjustments during the current period:

☐ Applicable √ Not applicable

Basis for determining the provision amount for bad debts in the current period and whether the credit risk of the financial instruments has significantly increased:

☐ Applicable √ Not applicable

(4). Status of Allowance for Doubtful Accounts

√ Applicable ☐ Not applicable

Unit: Yuan Renminbi Currency:

Category	Opening Balance	Current Period Change				Ending Balance
		Accrued	Recovered or Reversed	Write-off or Write-back Write-off	Other Changes	
Other receivables	17,488,382.79	21,306,825.63	9,258,712.86	-	-	29,536,495.56
Allowance for Doubtful Accounts						
Total	17,488,382.79	21,306,825.63	9,258,712.86	-	-	29,536,495.56

Significant reversals or recoveries of bad debt provisions during the current period:

☐ Applicable √ Not applicable

Other notes:
None

(5). Status of Other Receivables Written Off in This Period

☐ Applicable √ Not Applicable

Details of significant write-offs of other receivables:

☐ Applicable √ Not Applicable

Explanation of Write-offs of Other Receivables:

☐ Applicable √ Not applicable

(6). Top five other receivables by debtor at period-end balance

√ Applicable ☐ Not applicable

Unit: RMB Currency: Renminbi

Unit Name	Ending Balance	Percentage of Total Other Receivables at End of Period of Total Other Receivables	Nature of the Receivable	Ageing	Allowance for Doubtful Accounts Balance at End of Period
First	162,797,367.61	28.71	Accounts Receivable and Other	Within 1 year	8,139,868.38
Second Place	69,040,064.50	12.18	Accounts receivable and other	Within 1 year	3,452,003.23
Third	43,967,419.62	7.75	Accounts receivable and other	Within 1 year	2,198,370.98

(7). Reported under other receivables due to centralized fund management

□Applicable √Not applicable

Other Notes:

□Applicable √ Applicable √ Not applicable

3. Long-term equity investments

Unit: Yuan Currency: Renminbi

√Applicable □Not applicable

Item	Ending Balance			Opening Balance		
	Book Balance	Impairment Reserve	Book Value	Book Balance	Impairment reserve	Carrying Amount
Investment in Subsidiaries	6,464,197,384.17	-	6,464,197,384.17	6,311,349,428.17	-	6,311,349,428.17
Investments in Joint Ventures and Cooperative Ventures	457,372,076.76	3,001,169.54	454,370,907.22	836,206,918.68	214,341,832.10	621,865,086.58
Total	6,921,569,460.93	3,001,169.54	6,918,568,291.39	7,147,556,346.85	214,341,832.10	6,933,214,514.75

(1). Investment in Subsidiaries

Unit: Yuan Currency: Renminbi

√ Applicable □ Not Applicable

Investee	Opening Balance (Carrying Amount)	Opening Balance of Impairment Reserve	Increase/Decrease for the Period				Ending Balance (Carrying Amount)	Ending Balance of Impairment Reserve
			Additional Investment	Reduction in Investment	Provision for Impairment	Other		
Zhejiang Longneng	356,836,331.70	-	2,060,000.00	-	-	-	358,896,331.70	-
Italy Electric Power	2,151,323.06	-	-	-	-	-	2,151,323.06	-
Ouli Wolong	53,384,358.78	-	-	-	-	-	53,384,358.78	-
Wuhu Wolong	20,000,000.00	-	-	-	-	-	20,000,000.00	-
Zhejiang International Trade	10,721,918.36	-	-	-	-	-	10,721,918.36	-
Wolong Lighthouse	122,494,424.88	-	-	-	-	-	122,494,424.88	-
Hong Kong Wolong Holdings	1,154,455,085.10	-	-	-	-	-	1,154,455,085.10	-
Wolong USA	6,279,000.00	-	-	-	-	-	6,279,000.00	-

Investee	Opening Balance (Carrying Amount)	Opening Balance of Impairment Reserve	Increase/Decrease for the Period				Closing Balance (Carrying Amount)	Ending Balance of Impairment Reserve
			Additional Investment	Reduction in Investment	Provision for Impairment	Other		
Wolong Motor Japan	5,032,604.16	-	-	-	-	-	5,032,604.16	-
Hill Robotics	50,000,000.00	-	-	-	-	-	50,000,000.00	-
Nanyang Explosion-Proof	2,800,000,000.00	-	-	-	-	-	2,800,000,000.00	-
Rongxin Transmission	292,695,317.11	-	-	-	-	-	292,695,317.11	-
Servo Technology	38,006,558.40	-	-	-	-	-	38,006,558.40	-
Shaoxing New Energy	150,000,000.00	-	-	-	-	-	150,000,000.00	-
Wolong Korea	596,493.00	-	-	-	-	-	596,493.00	-
Wolong Malaysia	3,447,900.00	-	-	-	-	-	3,447,900.00	-
Wolong Supply Chain	5,000,000.00	-	-	-	-	-	5,000,000.00	-
Wolong Shanghai Research Institute	61,500,000.00	-	7,000,000.00	-	-	-	68,500,000.00	-
Wolong Shanghai Sales	5,000,000.00	-	-	-	-	-	5,000,000.00	-
Wolong American Holdings	523,200,000.00	-	-	-	-	-	523,200,000.00	-
Ouli Drive	6,000,000.00	-	31,653,600.00	-	-	-	37,653,600.00	-
Zhejiang Longchuang	9,000,000.00	-	-	-	-	-	9,000,000.00	-
Wolong ZF	304,958,554.00	-	-	-	-	-	304,958,554.00	-
Shangyu Longshun	5,615,000.00	-	-	1,500,000.00	-	-	4,115,000.00	-
Zhejiang Energy Storage	80,000,000.00	-	-	-	-	-	80,000,000.00	-
Zhejiang Shunyun	86,174,559.62	-	-	-	-	-	86,174,559.62	-
Zhejiang Precision	9,500,000.00	-	-	-	-	-	9,500,000.00	-
Zhejiang Longhong	10,000,000.00	-	-	-	-	-	10,000,000.00	-

Zhejiang Transmission	20,000,000.00	-	-	-	-	-	20,000,000.00	-
Zhejiang Electric Power	48,000,000.00	-	-	12,000,000.00	-	-	36,000,000.00	-
Zhejiang Maritime	5,000,000.00	-	-	-	-	-	5,000,000.00	-
Shanghai Energy Conservation	51,000,000.00	-	-	-	-	-	51,000,000.00	-
Shangyu Hexin	100,000.00	-	-	-	-	-	100,000.00	-
Nanyang Agriculture and Animal Husbandry	5,000,000.00	-	-	-	-	-	5,000,000.00	-
Wolong Smart Hydrogen	10,200,000.00	-	-	-	-	-	10,200,000.00	-
Wolong Permanent Magnet	-	-	100,000,000.00	-	-	-	100,000,000.00	-

Investee	Opening Balance (Carrying Amount)	Opening Balance of Impairment Reserve	Increase/Decrease for the Period				Closing Balance (Carrying Amount)	Ending Balance of Impairment Reserve
			Additional Investment	Reduction in Investment	Provision for Impairment	Other		
Wolong Yingnaide	-	-	15,634,356.00	-	-	-	15,634,356.00	-
Shangyu Shunfeng Electric Power	-	-	10,000,000.00	-	-	-	10,000,000.00	-
Total	6,311,349,428.17	-	166,347,956.00	13,500,000.00	-	-	6,464,197,384.17	-

(2). Investments in Joint Ventures and Cooperative Ventures

√ Applicable □ Not Applicable

Unit: Yuan Currency: Renminbi

Investing Entity	Opening Balance	Current Period Increase/Decrease								Ending Balance	Impairment Reserve Ending Balance
		Additional Investment	Decrease in Investment	Equity Method Investment Gains/Losses	Adjustments to other comprehensive income	Other Changes in Equity	Declaration of cash dividends or Profit	Provision for impairment	Other		
I. Joint Ventures											
Subtotal	-	-	-	-	-	-	-	-	-	-	-
II. Joint Ventures											
Wolong Real Estate	453,583,096.08	-	-	4,176,526.38	-	-3,388,715.24	-	-	-	454,370,907.22	3,001,169.54
Hongxiang Co., Ltd.	168,281,990.50	-	-	-2,120,190.40	-2,793.13	6,192,446.63	-	60,079,737.55	-112,271,716.05	-	-
Subtotal	621,865,086.58	-	-	2,056,335.98	-2,793.13	2,803,731.39	-	60,079,737.55	-112,271,716.05	454,370,907.22	3,001,169.54
Total	621,865,086.58	-	-	2,056,335.98	-2,793.13	2,803,731.39	-	60,079,737.55	-112,271,716.05	454,370,907.22	3,001,169.54

(3). Impairment Testing of Long-Term Equity Investments

□ Applicable √ Not Applicable

Other Notes:
None

4. Operating Revenue and Cost of Sales

(1). Operating Revenue and Cost of Sales

√ Applicable ☐ Not Applicable

Unit: Yuan Currency: Renminbi

Item	Current Period Amount		Previous Period Amount	
	Revenue	Cost	Revenue	Cost
Main Business	3,331,422,563.44	2,853,054,436.69	3,172,476,767.38	2,679,683,133.34
Other Businesses	591,558,836.88	371,963,017.24	305,418,081.16	235,766,650.80
Total	3,922,981,400.32	3,225,017,453.93	3,477,894,848.54	2,915,449,784.14

(2). Breakdown of Operating Revenue and Cost of Sales

☐ Applicable √ Not Applicable

Other Notes:

☐ Applicable √ Not applicable

(3). Description of Performance Obligations

☐ Applicable √ Not applicable

(4). Allocation to Remaining Performance Obligations

☐ Applicable √ Not Applicable

(5). Material Contract Modifications or Significant Transaction Price Adjustments

☐Applicable √Not Applicable

Other Notes:
None

5. Investment Income

√ Applicable ☐ Not Applicable

Unit: Yuan Currency: Renminbi

Item	Current Period Amount	Previous Period Amount
Gain on Long-Term Equity Investments Accounted for Using the Cost Method	300,000,000.00	300,000,000.00
Long-term equity investment income accounted for using the equity method	2,056,335.98	-24,203,354.14
Gain on disposal of long-term equity investments	4,325,870.70	9,560,290.44
Investment income from trading financial assets during holding period	-	-
Dividend income from other equity instruments during holding period	-	-
Interest income earned on debt investments during the holding period	-	-
Interest income earned on other debt investments during the holding period	-	-
Investment gains from disposal of trading financial assets	-541,889.30	-
Investment income from disposal of other equity instruments	-	-
Investment income from disposal of debt investments	-	-
Investment income from disposal of other debt investments	-	-

Project	Current Period Amount	Previous Period Amount
Investment income from other non-current financial assets during the holding period	7,591,434.69	20,900,486.51
Investment income from disposal of forward foreign exchange contracts	-	-584,100.10
Total	313,431,752.07	105,295,247.82

Other Notes:
None

6. Other

☐ Applicable √ Not applicable

XX. Supplementary Information

1. Schedule of Non-Recurring Gains and Losses for the Current Period

√ Applicable □Not Applicable

Unit: Yuan Currency: Renminbi

Item	Amount	Description
Gain/loss on disposal of non-current assets, including reversal of previously accrued impairment provisions	12,967,250.52	-
Government grants recognized in profit or loss for the period, but closely related to the company's normal business operations, compliant with national policy regulations, enjoyed according to established standards, and having a continuous impact on the company's profit or loss except for government grants recognized in profit or loss for the period that are closely related to the company's normal business operations, comply with national	64,910,737.19	-
Except for effective hedging activities related to the company's normal business operations, gains or losses arising from changes in the fair value of financial assets and financial liabilities held by non-financial enterprises, as well as gains or losses arising from the disposal of financial financial assets and liabilities	121,002,598.72	-
Interest income from funds occupied by non-financial enterprises included in current period profit or loss	-	-
Gains or losses from entrusting others to invest or manage assets	-	-
Gains or losses from entrusted loans to external parties	-	-
Asset losses incurred due to force majeure events, such as natural disasters	-	-
Reversal of impairment allowance for individually assessed receivables	-	-
When an enterprise's acquisition cost of investments in subsidiaries, associates, and joint ventures is less than the fair value of the investee's identifiable net assets at the time of acquisition, the enterprise shall recognize the difference as an investment gain. gains arising from the fair value of the investee's identifiable net assets	-	-
The net profit or loss of a subsidiary arising from a business combination under common control from the beginning of the period to the date of combination	-	-
Gain or loss on non-monetary asset exchange	-	-
Gains or Losses on Debt Restructuring	-	-
One-time expenses incurred by an enterprise due to the discontinuation of related business activities, such as expenditures for employee relocation .	-	-
One-time impacts on current period profit or loss resulting from adjustments to tax, accounting, or other laws and regulations	-	-
Share-based payment expense recognized upon cancellation or modification of equity incentive plans	-	-
For cash-settled share-based payments, gains or losses arising from changes in the fair value of employee compensation payable after the vesting date	-	-
Gains or losses arising from changes in the fair value of investment property measured using the fair value model	-	-
Gains arising from transactions where the transaction price is significantly unfair	-	-
Gain or losses arising from contingent items unrelated to the company's normal business operations	-	-
Fiduciary fees earned from entrusted management	-	-
Other non-operating income and expenses not included in the above items	-9,684,824.88	-
Other items meeting the definition of non-recurring gains and losses	-	-
Less: Income tax effect	29,563,902.48	-
Impact on Minority Interests (after tax)	2,175,795.20	-

Items not listed in the "Interpretative Announcement No. 1 on Information Disclosure by Companies Issuing Securities to the Public—Non-recurring Gains and Losses" that the company recognizes as non-recurring gains and losses and are significant in amount, as well as items that are not classified as non-recurring gains and losses and are significant in amount.

□ Applicable √ Not Applicable

Other Explanations:

□ Applicable √ Not Applicable

2. Return on Net Assets and Earnings Per Share

√ Applicable □ Not Applicable

Reporting Period Profit	Weighted Average Return on Equity (%)	Earnings Per Share	
		Basic Earnings Per Share	Diluted Earnings per Share
Net Profit Attributable to Common Shareholders of the Company	8.15	0.61	0.61
Net profit attributable to ordinary shareholders of the company after excluding non-recurring gains and losses attributable to ordinary shareholders of the company	6.53	0.49	0.49

3. Differences in accounting data under domestic and international accounting standards

□ Applicable √ Not applicable

4. Other

□ Applicable √ Not applicable

Chairman: Pang Xinyuan Date Approved by the Board of Directors: April 24, 2025

Revision Information

□ Applicable √ Not Applicable